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SOUTH AND EAST ASIA REPORT

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KING OF BHUTAN ENDS VISIT TO INDIA

Calcutta THE SUNDAY STATESMAN in English 11 Jan 81 pp 1, 9

[Text] New Delhi, Jan. 10--India and Bhutan will soon have an air service, King Jigme Singhye Wangchuk who left here today at the end of his two-day visit, said.

The 28-year-old Bhutan ruler told reporters that the two countries had worked out a scheme for the air service during his talks with Mrs Gandhi and other Indian leaders. A formal agreement would be signed soon.

The King of Bhutan said his talks with the Prime Minister were satisfactory and had further strengthened the relationship between the two countries.

President Sanjiva Reddy, the External Affairs Minister, Mr P. V. Narasimha Rao, the Foreign Secretary, Mr R.D. Sathe, and the chiefs of defence service bid him farewell at the airport. The King left by a special Indian Air Force plane.

The King had an hour-long meeting with Mrs Gandhi yesterday without aides. He discussed with Mr Narasimha Rao today the non-aligned Foreign Ministers' conference to be held here from February 9. Later the Prime Minister hosted a private dinner in his honour at her residence where the discussions were continued.

The King had separate talks with the Agriculture Minister, Rao Birendra Singh. The Vice-President, Mr H. Hidayatullah, and the Army Chief General O.P. Malhotra called on him today.

An official spokesman said that the King's discussions with Mrs Gandhi involved a general exchange of views on bilateral ties and the international situation. Utilization of common river resources, such as those of the Manas and the Sankosh rivers through hydro-electric and irrigation projects was another subject discussed. Talks on the Chukka hydro-electric project made some headway.

Indo-Bhutanese cooperation in the Fifth Plan of Bhutan figured at the talks. India had contributed Rs 70 crores out of the Fourth Plan outlay of Rs 80 crores. India asked for details of the Fifth Plan which will lay emphasis on district-level planning.

MUJIB'S DAUGHTER SELECTED TO HEAD AWAMI LEAGUE

BK171303 Hong Kong AFP in English 0454 GMT 17 Feb 81

[Text] Dacca, 17 Feb (AFP)--In a dramatic and compromise late night move, the Awami League, Bangladesh's biggest opposition party, selected a daughter of slain leader Sheikh Mujibur Rahman as its president.

Sheikh Hasina, eldest of the two surviving daughters now reportedly living in India with her husband, a scientist, will succeed the present party chief Abdul Malek Ukil. The existing general secretary of the party Abdur Razzak will remain in his post.

Arrangements for election to select new leadership were abandoned after party councillors and about 12,000 workers attending the final session of the party's three-day council reportedly asked the leaders to resolve their differences and find a consensus.

The two daughters--Hasina and Rehana--living in a European country at that time, were the lone survivors of Sheikh Mujib's family killed in a violent coup in 1975.

Since the death of their parents, the two daughters have not returned to Bangladesh.

Reports said that the consent of Sheikh Hasina was received by over telephone before her name was proposed for heading the party faced with inner conflicts and rivalries since the fall of her father.

This is the first time a woman has been elected to head the Awami League.

BANGLADESH

BRIEFS

JUTE TO CHANA--Bangladesh will supply over 50,000 bales of raw jute valued at about 30 million taka and 1 million jute bags worth about 14 million takas to Chana during the current year under two separate contracts signed in Dacca on 13 February. [BK161339 Dacca Overseas Service in English 0445 GMT 14 Feb 81 BK]

MINISTERIAL TEAM TO STUDY SITUATION IN LEH

Calcutta THE SUNDAY STATESMAN in English 11 Jan 81 p 9

[Text] Jammu, Jan. 10.--A three-member Jammu and Kashmir ministerial committee, comprising the State Finance Minister, Mr Devi Dass Thakur, the Works and Power Minister, Mr Ghulam Mohammed Shah, and the Revenue Minister, Mr Ghulam Nabi Kochak, are flying to Leh, the principal town of Ladakh, tomorrow to make an on-the-spot study of the political situation there following an agitation by Ladakhis.

The committee was appointed by Sheikh Abdullah last week to go into the problems and grievances of the people of the border district of Leh, following their all parties action committee's decision to postpone their agitation and to settle the issues with the State Government in accordance with the wishes of Mrs Gandhi.

The current unrest in Leh is the result of discontent among Ladakhis. During past three decades they have been demanding that their homeland be treated in a more liberal manner in view of its backwardness. To achieve this in 1951, one of the head Lamas of Ladakh, Kushak Bakula, who had emerged as the sole leader of Ladakh at that time wanted to have among other things "appropriate constitutional safe-guards" Kushak Bakula, who was the first Ladakhi Lama to be elected uncontested as a member of the State Constituent Assembly from the Leh constituency during the Sheikh's regime, had said in the State Constituent Assembly that he had made it clear that the "people of Ladakh do not want Ladakh's association with Kashmir to be made to hang merely on the thin thread of two representatives in the Constituent Assembly or Legislative Assembly from the entire district, but they must have internal autonomy as real as that of Kashmir."

Although "constitutional safeguards" as demanded by the Ladakhis were granted to them they have now risen, in revolt against what they allege to be "Kashmir's domination" over Ladakh and are demanding "autonomy for Ladakh and restoration of the region's separate entity."

They are also demanding that Ladakhis be treated on a par with Scheduled Tribes. They want the Centre to assist them financially to develop Ladakh, therefore, these funds should not be routed through the State Government. The Ladakhis want senior posts in the district administration to be manned by the cream of civil service in the State. They also demanded that services, for which local talent was available should not be manned by "outsiders."

The Ladakhis do not seem to be happy with the appointment of Sonam Narboo's son as a Deputy Minister to represent Ladakh, as he does not seem to represent any major section in Leh.

The people of Leh were also agitated over the creation of a new district in Ladakh with its headquarters at Karoil as they fear that a major portion of development funds for Ladakh would be spent in this newly-created district.

Sheikh Abdulla, however, has said that he had an open mind and would concede any reasonable demand of the people of Leh, on the recommendation of his State ministerial committee. He has also said that he was prepared to accept any solution which the Prime Minister might suggest to bring an end to the current agitation in Leh.

SOCIALIST UNITY CENTER APPEALS FOR UNITED FRONT

New Delhi PATRIOT in English 10 Jan 81 p 9

[Text] The central Committee of the Socialist Unity Centre of India has reiterated its appeal to all the Left and genuinely progressive and democratic factorists of unite and forge a common front to face the challenge of the fascist onslaught being perpetuated by the ruling party.

Talking to newsmen on Friday, SUCJ central committee member Pritish Chanda said the decision was taken at the Cuttack session held on 23 December last. This front is not intended for any electoral maneuvering but as a strong and united instrument for continuing the struggle started in various parts of the country by the seeming millions, he added.

Mr Chanda said the people, the poor, oppressed and overburdened people, are no longer in the mood to be crushed under the weight of heavy concessions granted to the capitalists by fleecing the masses. Nor are they going to be put down by the 'police terror' like the one let loose in Orissa, Bengal, Maharashtra, Punjab and Bihar, he continued.

The draconian attitude of the Centre was totally undemocratic for how else can it explain the National Security Act, the Disturbed Areas Act, the Special Tribunal Act and the Essential Services Maintenance Act, all of which clearly spell an allout fascism, he asked. Steadily, the Government had been taking away the fundamental and democratic rights of the people including the inalienable right to strike and organise movements, said Mr Chanda adding that on top of a'l this there is a talk of bringing in a presidential type of government which is a form of 'constitutional dictatorship'.

Mr Chanda said that SUCI general secretary Nihar Mukherjee had sent a letter to the Left democratic parties asking for their support in forging this front. He also said he had met CPI leader Bhupesh Gupta and CPI-(M) general secretary E M S Namboodiripad in this connection.

CONGRESS(U) LEADERS SPEAK TO PRESS IN DELHI

New Delhi PATRIOT in English 10 Jan 81 p 9

[Text] Cong-U president D Devrai Urs told newsmen in the Capital on Friday that though the BJP's adoption of "Gandhian socialism" as its policy was a velcome move, "mere adoption does not mean anything".

He felt that many modifications would have to be made by the party in the light of Gandhiji's views on communal harmony, Hindu-Muslim unity, eschewing violence.

Asked if he considered the BJP a communal party, Mr Urs replied in the affirmative saying: "That is the character which it has assumed".

About Mrs Indira Gandhi's charge that the Opposition leaders were not cooperating with the Government on national issues, Mr Urs said his party was cooperating with her on issues like Assam. It was his view that other Opposition parties also extended their cooperation on the Assam issue.

"But the Government's stand on Assam was now sliding away from its old position of favouring tripartite talks which the Opposition parties had supported. But now the Government is thinking of having only bipartite talks between the Government and the Assam leaders, he said.

"By this slideback, the Government is losing its credibility on its Assam stand", he added.

Hr Urs said Mr H N Bahuguna had recently called on him in Bangalore and the two had exchanged notes on economic issues, including on Bahuguna's 31-point economic programme. "Now as before I am in general agreement with the points in his programme. We discussed generally about land reforms, problems of backward classes", he said.

Mr Urs said he did not think it necessary for his partymen to attend the all-India convention of Mr H N Bahuguna's Democratic Socialist Forum in Bombay beginning on 23 January.

Heanwhile, the Cong-U Parliamentary Board in the Capital on Thursday and decided to hold the AICC-U session in New Delhi on 27 and 28 February, preceded by the party's working committee meeting on 26 February.

Disclosing this to newsmen, AICC-U general secretary K P Unnikrishnan, MP, informed that the AICC-U plenary session would take place in May. The Maharashtra PCC-U has extended an invitation to the Party High Command to hold the session at Aurangabad.

Mr Unnikrishnan said organisational elections of the party will be completed before the plenary session is held.

CONGRESS(1) COMMITTEE ASKS MANIFESTO IMPLEMENTATION

New Delhi PATRIOT in English 11 Jan 81 p 1

[Text] The AICC-I has asked the Pradesh Congress-I committees to speed up the implementation of the party's election manifesto and the 20-point programme through special efforts at all levels.

The committees have been specially asked to set up a special committee to coordinate all aspects of the implementation with the party organisation and the Government. Accordingly, the PCC-I chief will function as the convener of the panel with the Congress-I legislature party leader, Minister of Planning and three others as its members.

In a letter, the AICC-I office has asked the PCCs to send it the list of the sevenmember committee for its final approval. These committees will have to meet at least once a month so that they could send the progress report for the perusal of Congress-I president Indira Gandhi, the letter said.

The party has also entrusted the programme of implementation of the manifesto and economic policies to general secretary S S Mohapatra.

The special stress on the implementation now stems from the realisation that nothing much has been done in the States so far in this regard. Therefore, the proposed 'monitoring panels' the State level are expected to give the State Governments more alert.

The high command is expected to take a decision on the reorganisation of the Andhra Pradesh committee by the end of this month. Mr Mohapatra, who is looking after Andhra Pradesh, will visit the State to seek a consensus on the choice.

Though the Central leaders had a series of talks on the Andhra PCC-I affairs in New Delhi in the past three days, no decision could be taken due to the uncompromising stance by various groups. It was attended by Mr P V Narasimha Rao, Mr Shiv Shankar and Chief Minister Anjiah.

CPI(M) POLITBURO HOLDS MEETING IN DELHI

Calcutta THE STATESNAN in English 12 Jan 81 pp 1, 9

[Text] New Delhi, Jan.11.--The polithuro of the CPI(M) today reviewed the party's alliance with the other five parties---the CPI, the other five parties---the CPI, Congress (U), Lok Dal, Forward Bloc and the Revolutionary Socialist Party---and decided that the six-party Front should be further strengthened.

The full meeting of the 10-member politburo, which began here yesterday, studied reports from the party's State units on the functioning of the six-party Front and noted "obstacles and defects" in carrying out the Front strategy in different States.

Present at the meeting were Hr E.H.S. Namboodiripad, general secretary, Mr H. Basavapunaiah, Mr P. Ramamurty, Mr B.T. Ranadive, Mr Promode Dasgupta, Mr Jyoti Basu, Mr Harikrishan Surjit, Hr Samar Mukherjee, Mr A. Balasubramaniam and Mr E. Balanandan.

The meeting reportedly noted certain "vacillations" of the Congress(U) in joining, without reservations, the six-party movement because of the sharp differences in the Central leadership of that party, particularly Hr Y. B. Chavan's anti-Communist stance. A view emerged that the Congress(U) should be persuaded to resolve its internal differences and not to launch attacks or agitations against the Left Front Government in West Bengal. It also reviewed the attitude of the Lok Dal leader, Hr Charan Singh, towards the six-party Front in view of his anti-Communist disposition.

The leaders of the party noted with "anxiety" the emergence of the Bharatiya Janata Party as "an alternative" to the Congress (I) with the support of the "ruling classes" in the country and thought it to be a "threat" to the six-party movement.

The politburo also took stock of the developments between the last meeting of the party's 44-member Central committee held in October last year and now. It reviewed and thought "correct" the party's line of supporting the Soviet military intervention in Afghanistan as well as endorsing the Vietnamese Communist Party's action in Kampuchea. It reportedly thought the party's line on these issues would not come in its way in establishing fraternal relations with the Communist Party of China.

One CPI(M) source told this reporter that "we have made it known to the CPC that we are soon going to have party-to-party relations with the Communist Party of the Soviet Union. It is not that the CPC is now aware of our stand on the Afghan

crisis and our recognition of the Heng Samarin regime in Kampuchea. As you will see, our party's two-member delegation of Hr Promode Dasgupta and Hr Harikrishan Surjit will leave for a 10-day visit on January 15 to Vietnam, Kampuchea and Laos," the CPI(M) source pointed out.

The CPI(M) delegation will review with leaders of the Communist parties in Vietnam and Kampuchea respective party lines on international issues. Similarly, the CPI(M) source said, his party had put it on record to inform the CPSU of its decision to have fraternal relationship with the CPC.

The next meeting of the CPI(M)'s Central Committee will be held here from February 4 to 8 this year. The Central Committee will make a full review of internal as well as international developments and hear the report from the party's delegation to Vietnam, Kampuchea and Laoa.

The politbure has not so far discussed dates for sending the party's delegation to Beijing, it is understood. Possibly, the Central Countitee seeting next month will decide the issue. The delegation to Beijing will also comprise Mr Promode Dasgupta and Mr Harikrishan Surjit.

JANATA(S) EXECUTIVE PROPOSES HERGER WITH JANATA

Calcutta THE STATESMAN in English 12 Jan 81 p 1

[Text] Varanasi, Jan 11.—The national executive of the Janata (S) has proposed that the party unconditionally merge with the Janata Party reports PTI.

Though the national executive was keen on the merger of a number of parties to provide a viable national alternative to the Congress(I), it could not arrive at any consensus on which parties should be admitted to the new fold. There was unanimity only on the proposed merger with the Janata Party.

The executive congratulated the Janata Party president, Mr Chandra Shekhar, for his efforts to make the merger possible and criticized those leaders who hampered the process.

Expressing concern at the deteriorating law and order situation, inflation and the climate of insecurity, a resolution on the political situation alleged that Hrs Gandhi was inciting communal tensions and protecting anti-social elements, hijackers and murderers for political gains.

The resolution held Mrs Gandhi responsible for the continuance of the Assam agitation but appealed to the All-Assam Students' Union and the All Assam Gana Sangram Parishad that while sticking to the national register of 1951 and electoral list of 1952 they should also consider the human aspect of the problem.

The convention, however, suggested that 1961 should be accepted as a cut off year to resolve the Assam crisis.

Meanwhile, the Lok Dal leader, Hr George Fernandes, has urged the Janata (S) to rejoin the Lok Dal.

In a telegram to the Janata(S) convention here, he said it was not proper for Hr Raj Narain and several others to desert the Lok Dal and form the Janata (S).

OPPOSITION PARTY FRONT PLANS MARCH STRIKE

New Delhi PATRIOT in English 12 Jan 81 pp 1, 7

[Text] The CPI, CPN, Lok Dal Cong-U, the RSP, and the Forward Bloc will organise a general strike of industrial workers and middle-class employees, and a hartal sometime in March, it was announced at the Delhi State Convention of the six parties and mass organisations on Sunday.

Speaking at the joint convention, CP-H leader Jaipal Singh said that aim of the common programme of the six parties and other organisations was not only to provide a viable alternative to the people at election time, but more importantly, to mobilise the masses in the common struggle against the policies of the Cong-I.

Commenting on the present situation in the country, CPI leader M H Farooqui said that while on the negative side the Cong-I Government had failed to fulfill any of its pre-election promises, and a situation of confusion prevailed, on the positive side, for the first time since Independence, a mass movement embracing the rural and urban sections was being built up. It was to the credit of the six-party combine, he claimed that the farmers had been organised into a strong pressure group which could force the Government to accept their demands.

Apart from organising a strike and hartal, the convention also decided to launch a campaign to press for a comprehensive 13-point charter of demands. Among these were the withdrawal of the National Security Ordinance, Government takeover of trade in essential commodities, the establishment of an effective public distribution system, greater protection to minorities and adequate representation in the police and administration, unemployment allowance and voting rights for 18-year olds.

The joint resolution, proposed by Cong-U leader Subhadra Joshi, also contained package demands for the peasantry which included remunerative prices for agricultural produce, adequate compensation for land acquired by the administration and proper distribution of land to the landless. For the workers, the resolution demanded among other things, housing projects for the industrial workers and the right to collective bargaining and strike.

The convention attacked the Government for failing to arrest the trend of lawlessness, rising prices and communal tensions. And to make things worse, successive speakers at the convention said, the Government we once again embarking on a path of dictatorship through the promulgation of several repressive laws.

The convention appealed to all sections of the people in the Capital to unite and force the Government to change its "anti-democratic and anti-people" policies.

TEXT OF SOVIET AMBASSADOR'S 9 JAN SPEECH IN DELHI

New Delhi PATRIOT in English 9 Jan 81 p 3

[Text] The Soviet Union has always firmly supported the desire of the littoral states of the Indian Ocean to turn their region into a peace zone; free from foreign military bases and with nobody threatening their security, independence and sovereignty.

But almost every week now brings new evidence of actions being taken persistently by certain Western Powers for rapid militarization of the Indian Ocean, for establishing in this area their "permanent military presence".

Some of the Western Powers do not even deem it necessary now to allege the so-called "Soviet threat"; but directly assert that their permanent military presence in the Indian Ocean is directed, above all, against "unwelcome changes there", that means-against the countries of the region and their peoples.

Others still persist in camouflaging their military build-up in the Indian Ocean and the Persian Gulf with such frenzied references to the so-called "Afghan events" that it becomes obvious that they will stop at nothing to prolong indefinitely these "events", or to be more exact, Western military interference in the internal affairs of sovereign and non-aligned Afghanistan just in order to have more time to entrench their permanent and powerful military presence in the Indian Ocean region.

And, indeed, long before the so-called "Afghan events", starting from 1972, the United States, on about 20 occasions, sent large operational Naval units to the Indian Ocean each time for a period of up to two months. A sharp upturn took place in November 1979, with the capture in Iran of American hostages, when about 30 US warships were immediately stationed in the Indian Ocean on a permanent basis including two groups of strike aircraft-carriers with nuclear weapons on board.

For the first time in 1980, the US strategic B-52 bombers appeared in the zone of the Indian Ocean.

After enlarging the US military base in Diego Garcia, which already had been done earlier, the work has now begun to increase further its capacity to meet the requirements of the US strategic forces. The American agencies are now trying to take on contract 1,000 labourers on Mauritius, in Sri Lanka, Singapore and Thailand to do that job.

The plan to set up the US "rapid deployment force", designed for military interference in different regions of the world, has been expedited in connection with the hostages issue and put into practice in 1980. The first components of the "rapid deployment force" have been already deployed in the Indian Ocean-seven "floating armouries" in the form of military transport ships with heavy armaments, ammunition and fuel for the brigade of 12,000 Marines which can be brought by air within a few days in case of a "crisis situation".

According to the decision of the ANZUS Council taken in February 1980, the military activity of this bloc, mainly concentrated earlier in the Pacific region, will now be stepped up in the Indian Ocean as well; and Australia has already despatched one unit of aircraft-carriers for this purpose.

In May 1980, the NATO Committee on military planning took a decision that the West European members of the Alliance were to compensate, "in case of necessity", the transference of the US Armed Forces from Europe to the region of the Indian Ocean. This decision had been reaffirmed in December 1980.

The presence of the British and French Naval Forces in the Indian Ocean has considerably grown. For the first time, the warships of the FRG started to enter the Indian Ocean.

Attempts made by the Western Powers to refer to the necessity of safeguarding the security of oil-transportation routes passing through the Indian Ocean as a ground for the escalation of their military presence in the Indian Ocean, for the expansion of the ANZUS's spheres of action here and in fact the NATO's are completely groundless. Safety of the shipping routes can be ensured only by reducing, not by increasing, the military presence and activity of all the sides. All experience of history proves it. The well-known proposals made by President L.I. Brezhnev during his recent visit to India last December concerning the measures for strengthening peace and security in the Persian Gulf region and its marine communications are based on this.

As a result of the above-mentioned militarist actions, the threat to the security of the Indian Ocean countries evidently grows. Danger to the Soviet Union also appears: in fact a strategic threat to the security of the USSR from the Southern direction is emerging.

Naturally, we cannot remain indifferent to this process and we are forced to take some precautions. But, in contrast to the Western Powers' actions of building up their forces in the Indian Ocean, these measures do not impart to the Soviet Navy's presence in this region such a character that it could be used under any circumstances against littoral states or could create a strategic threat to the security of the Western Powers. I would specially like to underline this fact in order to remove any misunderstanding.

We do not want the emergence of a situation of military confrontation of the USSR, the USA and other non-littoral states in the Indian Ocean at all. The Soviet Union considers it desirable to remove tension, to eliminate any manifestations of arms race in this region to extend to it the process of detente.

We believe that the real road to achieving this aim lies in converting the Indian Ocean into a zone of peace in accordance with the proposals of the littoral states and with the well-known UN Declaration. During the recent visit of L.I. Brezhnev to India, the Soviet side reiterated that the USSR was a firm supporter of the idea of converting the Indian Ocean into a zone of peace. The Soviet Union firmly stands for the implementation of the UN decision to hold in Colombo (Sri Lanka) in 1981 an international conference on the Indian Ocean for working out a broad agreement on this question. We believe that the calling of such a conference becomes more and more urgent in the present conditions.

But we are aware of the fact that some Wester. Powers are trying to drag out, or even frustrate completely, the convocation of the international conference on the Indian Ocean in order to have a free hand for their militarist actions.

But the opponents of a peace-zone in the Indian Ocean could not prevent from adoption by the XXXV Session of the UN General Assembly by consensus, of a resolution which reaffirmed the necessity for convening the conference in 1981. We consider it to be an important success in the sturggle for the creation of a peace-zone.

Now, in our opinion, it is important to prevent the preparations from being excessively dragged out--preparations for calling of the conference which is entrusted to the UN Special Committee on the Indian Ocean. At the preparatory stage the participants should concentrate particularly on drafting a clear-cut agenda for the conference and on solving organisational problems, leaving matters of substance to the conference itself.

We stand for a practical approach being taken to the speedy preparations for the conference and, in this context, we are ready to cooperate with all the interested countries.

The Soviet Union firmly stands for a constructive solution of Indian Ocean problems that would bring nearer the realisation of the pressing tasks facing the peoples of the region; that would promote their progressive development, strengthen their national independence and economic self-sufficiency. --TASS

DASGUPTA REPORTEDLY INVITED TO VISIT PRC

New Delhi PATRIOT in English 11 Jan 81 p 4

[Text] Calcutta, Jan 10--Mr Promode Das Gupta, Secretary of the West Bengal unit of the CPM has been invited to visit China for treatment by acupuncture. The invitation came from Mr Cheng Ruis-Heng, counsellor in the Chinese Embassy in Delhi. Mr Cheng accorded this invitation yesterday when he met Mr Das Gupta at the CPM office here along with other members of the CPM State committee secretariat.

Those present, included, apart from Mr Das Gupta, Mr Jyoti Basu, West Bengal Chief Minister, Mr Saroj Mukherjee, Mr Abdullah Rasul, Mr Sudhangshu Das Gupta, Mr Biman Bose, Mr Naresh Das Gupta.

Mr Promode Das Gupta said that he was interested to visit China as he was interested to visit all the Asian countries. He said he would like to see China even if for no other reason.

Hr Cheng told the CPM leaders that many errors were committed in China, and now "we are trying to rectify those mistakes".

Mr Das Gupta and Mr Basu later left for Delhi to attend the meeting of their party's politburo.

DELHI MAKES SETTLEMENT OFFER TO LALDENGA

Bombay THE TIMES OF INDIA in English 10 Jan 81 p 1

[Text] Calcutta, January 9: Mr. Laldenga and his MNF have been given time till the end of March to accept the government of India's offer for a political settlement of the decade-old insurgency in Mizoram, failing which the government will be free to act unilaterally.

Delhi's offer to Laldenga consists of elevating Mizoram's status from the present Union territory to a full-fledged state, which will mean dissolution of the present assembly and the government headed by Brigadier T. Shailo, followed by fresh elections through which the MNF and Mr. Laldenga should be able to reassert their political supremacy.

Earlier expectation was that Delhi would make an announcement to this effect by the end of December, but the question of surrender or of arms in possession of MNF underground stood in the way.

Official sources here explain that it has been made clear to Mr. Laldenga that the government could not agree to the proposal for creating a free zone in the southern parts of Mizoram, Adjacent to Burma, Bangladesh and Tripura, by withdrawing security forces from there, so that the rebels could get together and keep their arms in their own custody there.

He has been told that the government could at best allow retention of arms by underground elements only after they have declared their possession to the authorities in detail. They will not be allowed to move about with arms either before, during or after the elections. The MNF is said to feel that the surrender of arms will weaken their political position as well.

With the possibility of having a free zone now ruled out, the MNF leadership can meet at a place of their choice within Mizoram to discuss and decide on Delhi's offer. Sources say this is likely to take place soon at a place not far away from Aizawl, but they doubt if Mr. Laldenga will attend it.

Meanwhile, developments in Tripura areas, adjacent to Mizoram, and the strongly suspected MNF backing for the tribal extremists in terms of both arms supply and training continue to cause anxiety to authorities both in Tripura and Delhi. Sources say Tripura chief minister's latest plea for enlargement of the police strength should be viewed in this context.

SHEIKH ABDULLAH PREPARED FOR LADAKH SPECIAL STATUS

New Delhi PATRIOT in English 12 Jan 81 p 1

[Text] Jammu, Jan 11 (UNI)--Jammu and Kashmir Chief Minister Sheikh Abdullah today said that he was willing to consider the demand of the people of Ladakh for a divisional set-up there, and was also not opposed to Ladakhis being declared a scheduled tribe if the Centre so desired.

Talking to newsmen he said that he was prepared to accept any reasonable solution for the Ladakh tangle and had an open mind on this question.

The Sheikh said his government was keen to develop the Ladakh region and had been taking measures for this in the past five years. As result of these measures, there had been an appreciable improvement in the economy of the area and the living conditions of people.

Meanwhile, the committee of three Cabinet Ministers constituted by the Chief Minister, today left for Leh to review the pace of development in the Ladakh region.

The Sheikh said that there was "no friction" in his relations with the Cong-I.

Asked if Cong-I in Jammu and Kashmir was motivated by political considerations in opposing and attacking his policies, the Chief Minister said he would not attribute any motives to any one.

UTTAR PRADESH GIVES URDU OFFICIAL STATUS

Bombay THE TIMES OF INDIA in English 8 Jan 81 p 9

[Text] Patna, January 7 (UNI): The Uttar Pradesh government has initiated steps for according second official language status to Urdu in the state on the pattern of Bihar.

This was disclosed here yesterday by the U.P. minister for information and parliamentary affairs, Dr. Ammar Rizvi, who held discussions with the ministers and officials of Bihar for two days. He also discussed the matter with the governor, Mr. A. R. Kidwai, and the chief minister, Mr. Jagannath Mishra.

Dr. Rizvi, accompanied by the U.P. Urdu Academy chief, Dr. Ali Jawad Zaidi, had flown to Patna on the advice of the U.P. chief minister, Mr. V.P. Singh, to study the pattern adopted in Bihar for implementing the decision smoothly.

Dr. Rizvi's visit was preceded by that of a team of U.P. officials for the same purpose.

Before returning to Lucknow, Dr. Rizvi told a local Urdu daily "Azimabad Express" that the U.P. government was committed to implementing its election promises made to the people. He said the Bihar government's decision to recognise Urdu as second official language had been "widely welcomed" by all sections of the people in U.P.

Dr. Rizvi, however, said that the implementation of the decision in U.P. might be different from Bihar.

Dr. Zaidi, in a separate interview, said that the U.P. Urdu Academy had decided to organise a "world Urdu conference" soon.

CPI GENERAL SECRETARY RAD SUGGESTS ASSAM SOLUTION

New Delhi PATRIOT in English 16 Jan 81 p 1

[Text] Gauhati, Jan. 15 (PTI). CPI general-secretary C Rajeswara Rao has suggested new approach of categorising those whose citizenship is disputed instead of a cut-off year for an amicable solution to the foreign nationals problem in Assam, says PTI.

In a statement here today, he said the new approach envisaged the identification of those whose citizenship is disputed and dividing them into different categories such as refugees from erstwhile East Pakistan, who are duly settled, Nepalese settled on the basis of Indo-Nepal agreements, people, who returned to respective countries on the basis of international commitments and others who had come and settled.

Mr Rao also said that negotiations should be initiated afresh without any pre-conditions, with a view to settling the issue on the basis of the Constitution, Citizenship Act, international commitments and humanitarian considerations.

Mr Rao claimed that his approach had already been accepted by the seven non-Cong-I parties of Assam--Cong-U, CPI, CPI(M), RCPI, RSP, Lok Dal and SUCI.

Mr Rao disagreed with the 7-point formula put forth by BJP president A B Vajpayee which according to him, would not only fail to solve the problem but further divide the people.

Mr Rao welcomed the proposed tripartite talks on the Assam problem and noted a positive response from the agitation leaders to the proposals. He felt that neither the Central Government nor the leaders of the agitation should stand on prestige and lost any time in holding talks for a solution to the foreign nationals problem and other related issues.

The CPI leader appealed to the leaders of agitation to withdraw the agitation and to the Government to end the "repressive measures" including press censorship so that a proper and peaceful atmosphere was created for settlement.

PROGRESS OF KERALA CPI(M)-LED COALITION TOLD

Bombay THE TIMES OF INDIA in English 8 Jan 81 p 20

[Article by K. C. John: "Nayanar Ministry in Mood of Elation"]

[Text] Trivandrum: The Nayanar coalition ministry in Kerala is celebrating its first anniversary on January 25 in a mood of elation. The celebration of the second anniversary next year will depend by and large on the performance of Mr. Nayanar's own Marxist followers and the police.

His followers nearly wrecked the ministry before it could complete the first year in power by trying to control the police, attempting to teach their opponents their own Marxist lessons, seeking to eliminate the "RSS menace" with crude weapons, and, finally, trying to teach even their Congress allies political lessons with stones ransacking its party office here.

Hr. Nayanar and the CPH leadership got jittery as the Congress revolted against the behaviour of the Marxists in the police stations, in the streets, in the factories and in the farms. They saved the coalition from collapse by introducing a new police policy. The alternative, they knew, would be the party's own isolation.

The new policy was announced in the state legislature by the Marxist home minister, Mr. T.K. Ramakrishnan. It was hailed by the constituent units as a brave new police policy. At the same time, the constituents felt that the proof of the pudding will be in the eating. So they are all waiting and watching how the home minister is implementing the new policy.

In a nutshell, the new policy envisages peace in the educational institutions, freedom from gherao, freedom from violence and freedom of the individual. All these were threatened during the first year of the Marxist-led administration in Kerala by the unbridled activities of the so-called supporters of the CPM.

After the CPM-led left front ministry collapsed in 1969, the Muslim League leader, Hr. C.H. Mohamad Koya, became the home minister in the coalition led by the CPI leader, Hr. C. Achuta Menon. A few days after he took over the home portfolio, Hr. Koya proudly announced that he had removed the second chair from every police station.

What he meant was that in every police station the Marxists had been directing the police sub-inspector in charge of the station. If the new police policy is implemented faithfully, the Marxist home minister himself will be doing what the Muslim League leader did 11 years ago.

Twin Tasks

This is exactly what the non-Marxist allies of the ruling front want the CPM to do. The new police policy will be on trial this year. The Harxist home minister has to move very cautiously but fearlessly. He has the twin tasks of keeping his party intact while reassuring his allies of impartial police administration.

The Congress (I)-led opposition has been pinning its hope on the inability of the Marxist leadership to control its ranks. It has not given due consideration to the fact that the Marxist leadership sees in the Kerala coalition more than more power. This coalition has higher political stakes in that the political future of the CPM in Kerala is inextricably linked with the stability of the coalition it is leading now.

As in the past, the main threat to stability could come only from the role of the police visa-a-vis the people. The police would not only have to act impartially but they must appear to be impartial too to the people.

In the first year of the administration, it was not so. The allies of the CPM themselves pointed this out to the CPM. The feeling of insecurity for all non-Marxists became a source of complaint even from the allies. The home minister has pledged to arrest this trend effectively this year.

Police Administration

Much, however, depends on performance. According to the opposition the CPM, whenever it was in power, had always promised an impartial police administration though performance had belied promises. This difference between performance and promise had been the doom of the CPM in the past. While it is not an easy task for the home minister to close the gap between promise and performance, his sincerity is not in doubt except may be among some of the opposition parties.

The factories, the farms, the educational institutions and the public places have to be freed not only from violence but also the threat of violence. Several persons have been murdered in broad daylight in the streets of Tellicherry as the CPM-RSS confrontation escalated into violence. Ordinary people were afraid to walk on the streets even during day time. Their confidence in the police has been shattered. The police on their part could not do anything except to heed the Marxists for fear of consequences. This was what moved the Congress (U) to raise its protest in the ruling front.

Barring the controversy over police performance, there has been no major issue dividing the coalition partners during the first year. It is unlikely any major issue will come between the coalition partners in the second year if the police and the Marxists stick to their respective role.

Financial Resources

Essentially, the CPM-led administration, like all previous administrations, is a status quo administration. The only difference is that the CPM-led administration is very generous in funnelling its financial resources into non-productive channels.

Pension for "retired" agricultural workers, doles for the unemployed, and pension for the old and the infirm and so on. These measures are doubtless welfare benefits providing some relief to the weaker sections of the society.

But, the administration does not seem to have appreciated or understood properly the role and extent of welfare measures in a poor and developing state. The ratio between investment for welfare and investment for production has not yet been properly laid down.

The administration is aware of the need for industrialisation. But even if industrial peace is ensured, industrialists would continue to shun Kerala as its wage structure is quite disproportionate to the state of its industrial development.

The industrialists in Kerala are themselves migrating to neighbouring Tamil Nadu and Karnataka here the wage structure is much below that of Kerala. An aggressively politicised trade union movement and the possibility of every party coming to power in Kerala has resulted in higher wages being paid without analysing its long term consequences on industrialisation.

Obvious disadvantage

To circumvent this obvious disadvantage, Kerala has been pressing for either a national minimum wage or at least a regional minimum wage for southern states, but so far none has agreed to this demand.

Having practically lost the competition for major industries, both in the public and in the private sectors, Kerala has been looking to small industries for development. Here too the story is one of confusion. Even after the announcement of the new police policy, 25 small industrial units in Trivandrum district wrote to the neighbouring district collector of Kanyakumari, in Tamil Nadu, that they were prepared to shift their units there, Several other units have already moved out. This trend has to be effectively checked this year to ensure the spread of small industries in the state.

SIKH PARTY, RELIGIOUS LEADERS TALK TO PRESS

New Delhi PATRIOT in English 10 Jan 81 p 4

[Text] Shiromani Akali Dal president Harchand Singh Longoval warned on Friday that if the Government continues to interfere in the religious affairs of the Sikhs, the Dal would be forced to take some "drastic steps".

Addressing a press conference, the Akali leader charged that the Government has been interfering in the day-to-day affairs of the community for the last 30 years and the Sikhs have been patiently tolerating it.

Mr Longoval said the Government is contemplating to issue an ordinance, which again would amount to direct interference. According to him, any enactment of law prohibiting non-matriculates from being office-bearers of Delhi Gurudwaya Committee would be interpreted an act of interference. He charged that the ordinance aims at introducing a Cong-I member in to the Committee.

Speaking to newsmen; the Jathedar said that the Akali Dal has launched an ambitious scheme to enroll new members in the east, middle west and western countries, and claimed that the Dal has also received a massive response to its proposed international conference scheduled to be held in the US in April.

Mr Longoval said the Government must submit the proposed draft amendments to the SGPC Amritsar, the supreme religious body of the Sikhs, as required under the Nehru-Tara Singh agreement.

The election of the president of DGPC would take place here on 22 January.

President of the SGPC G S Tohra, who was also present at the press conference, alleged that the Cong-I wanted to "plant Jathedar Santokh Singh, a nominated member of the DGPC, as the president of the DGPC" to gain direct control over this Sikh institution.

"If the Government makes any amendments in the DCPC through an ordinance, Sikhs all over the country will resort to direct action".

Heanwhile, Mr. Tohra said he would not mind quitting politics with Mr Jagdev Singh Talwandi, president of the Akali Dal (Talwandi group) if it would bring about unity between the two groups.

He said Mr Talwandi could no impose similar conditions on others such as former Punjab Chief Minister Prakash Singh Badal and Akali Dal chief Sant Harchand Singh Longowal.

Hr Tohra said Hr Talwandi's offer reflected his political frustration.

The SGPC chief alleged that the Maharashtra Government had arrested two Sikhs under the National Security Act for manufacturing knives and swords. "This is a blatant misuse of the Act".

ARMY CHIEF OF STAFF ANNOUNCES PERSONNEL BENEFITS

New Delhi PATRIOT in English 16 Jan 81 p 5

[Text] Chief of Army Staff General O P Malhotra on Thursday announced several new benefits to the army personnel, most important among which was the enhancement of the insurance scheme.

Addressing the Army Day Parade at Delhi Cantonment, Gen Malhotra said that in response to persistent demands from the javans and officers, the insurance scheme would be extended to the post-retirement period also, in addition to allowing for a larger insurance cover for both javans and officers.

Under the new scheme, officers will be entitled to a post-retirement insurance of Rs 65,000 for a period of 10 years after retirement, or till they reach the age of 65, by paying a non-refundable premium of Rs 1,640. The insurance cover for serving officers has been raised from Rs 65,000 to Rs 1 lakh, and accordingly, the premium on the policy has been increased from Rs 65 per month to Rs 100.

For jawans, the post-retirement insurance is for Rs 30,000, for which they will have to pay a premium of Rs 540, when they retire. Insurance for serving jawans has been raised to Rs 50,000, and the premium to Rs 50. According to the earlier scheme, jawans were entitled to an insurance policy of Rs 35,000 upon payment of Rs 35 per month as premium.

Among the other schemes Gen Malhotra announced were the improvement of educational facilities for children of army personnel and housing projects in Delhi, Lucknow, Calcutta and Pune. In Delhi, the Army Welfare Housing Organisation had just acquired 8.8 acres of land in R K Puram, he said.

Later, Gen Malhotra took the salute as cavalry, marching contingents and mechanised columns commanded by Maj Gen Ramchandran filed past him with clock-work precision. The march-past was led by a 64-member contingent of the 61 Cavalry, holding aloft their red and white flags. Following the cavalry were the six-man-deep and 12-man-abreast marching contingents which represented 12 army regiments, among which were the Parachute Regiment, the Sikh Regiment, and the Assam Regiment.

A novelty in the mechanised column which followed was the 122 mm multi-barrelled artillery gun which was being shown to the public for the first time. Other constituents of the column were the Vijayanta tanks, Tiger Cat missiles and the Amphibian Armed Personnel Carriers.

Earlier, during the parade, Gen Malhotra awarded 16 Vishist Seva Medals, one Bar to Sena medal and 14 Sena medals to officers and javans who had shown "exceptional qualities of courage, leadership and dedication in the course of duty."

Commending the army for its bravery and its service to the country, Gen Malhotra made a special mention of the efficiency with which the army had helped to clear the Assam oil pipeline, recently.

SATELLITES SHOW GANGES SHIFTING COURSE

Bombay THE TIMES OF INDIA in English 9 Jan 81 p 18

[Text] New Delhi, January 8 (PTI): Satellite photos have revealed that the river Ganga is shifting its course in Murshibad district of West Bengal.

Geological Survey of India (GSI) scientists say that if the shift is unchecked, it might lead to devastating floods and reduce the available water at Farakka.

Photo interpretation and field studies by the GSI have revealed that the right bank of the Ganga is shifting westward in the region downstream of the off-take point of the Bhagirathi from the Ganga.

The eastward shifting "as a large meander loop" has progressively decreased the distance between the Ganga and the moribund Pagla channel from 8.53 km in 1923 to 0.9 km in 1975.

Pagla is a tributary of the Mahananda river.

If the shifting persists, the Ganga will join with the Pagla and "much of the Ganga discharge may be diverted into the Pagla-Mahananda system and again back into the Ganga", the GSI study said.

This will reduce "the available water at the Farakka "for the Bhagirathi feeder canal", it said.

According to the GSI, the Ganga flowed through the Bhagirathi channel before the 13th century "when the main branch of the Ganga was gradually diverted from a southerly course to a southeasterly course into the Padma."

The GSI studies were carried out by Dr. S.N. Banerjee, Dr. A. Bhattacharya, and Dr. P. Chakraborty. The photos were taken by the American earth resource technology satellite (ERTS).

DELHI TO RAISE BOMBAY HIGH PRODUCTION TARGETS

Bombay THE TIMES OF INDIA in English 9 Jan 81 p 6

[Article by Kirit Bhaumik: "Bombay High to Be Further Exploited"]

[Text] New Delhi, January 8. The government has decided to raise steeply crude production targets for Bombay High, pressured to exploit the internal resources to the maximum by the rocketing prices in the world market.

From an original ceiling set at 12 million tonnes a year, ONGC has revised the sixth plan target to 15.9 million tonnes. It will be reached by stages--8.5 million tonnes by 1982 as against seven million tonnes originally fixed, 12.2 million tonnes by 1983 and 14.5 million tonnes by 1984.

The programme is aimed at meeting about 40 per cent of the country's annual requirement from this massive reserve by the end of the plan. The country's requirement now is about 33 million tonnes with an expected annual rise in consumption of five to ten per cent.

It is a race against OPEC mercilessly pushing up the crude price every six months. The recent rise will entail India paying 82 per cent of export earning for importing crude and petroleum products. Another two hikes and the country will be in the red only by the oil import bill.

Divergent Views

For developing countries like India, it is not only the oil import bill that is creating the difficulties. The impact of the price hikes is forcing the third world countries to cut down their imports and the first victims of such cuts are the sister countries in the same economic orbit. Maintaining exports at the present level by countries like India is becoming increasingly difficult.

Faced with this situation, the government may, perhaps, have taken a calculated risk in deciding on a steep increase in crude production from Bombay High. There are more than two opinions on this. Some experts have insisted that the optimum production from the reserve should be at 12 million tonnes to ensure that the reserve structure is not damaged. ONGC had earlier decided to stick to this ceiling—even if as a measure of abundance caution. Economic pressures on the country have obviously forced it to abandon it.

A French consultancy firm had warned ONGC when Bombay High had reached a production rate of five million tonnes not to draw that quantity of crude--100,000 barrels a day --from 20 wells drilled oil then. NOGC heeded that advice and maintained production at that level till 12 more wells were drilled over a wider area. Keeping the structural integrity of the reserve was given overriding importance.

The installation of the huge process platform—the biggest so far weighing 10,000 tonnes named BHN—in northern Bombay High to be completed this month, will enable ONGC to go ahead with the new revised production programme. It is designed to handle 180,000 barrels of crude and 2.9 million cubic feet of associated gas per day.

Efforts are being made to cut down the cost of exploration by acquisition of four jack-up drill vessels. The discovery of the Bombay High reserve was made by "Sagar Samrat". Another jack-up ship "Sagar Vikas" was delivered to ONGC in Bombay by a Japanese firm on New Year's Day. The third drilling vessel, "Sagar Pragati" will be available from a French firm in the course of the year. Orders for two more drilling vessels have been placed already.

These jack-up drilling vessels will enable ONGC to dispense with the chartered vessels which are costing the country huge sums. At present, four foreign drilling vessels are working in the offshore areas of the country, including the Andaman Island.

The exploration drive is being intensified. By 1982, systematic reconnaissance surveys of the entire continental shelf will be completed. Work of detailing the discovered structures will be undertaken, as also the systematic reconnaissance of the continental slope off Bombay shore and the Krishna-Godavari basin.

STEEL AUTHORITY REPORTS 'STAGGERING' LOSSES

New Delhi PATRIOT in English 12 Jan 81 p 7

[Text] The cumulative losses in the Steel Authority of India Limited (SAIL) in the first half of 1980-81 amounted to a staggering Rs 136.40 crores making the financial position of the public sector unit extremely critical, reports UNI.

The picture of the financial working of SAIL as presented to its board of directors has attempted to dilute this impression. It has been mentioned to the SAIL board of directors that after taking credit for a sum of Rs 51.40 crores on account of reimbursement for cost escalation from the steel development fund, the net loss to the undertaking would be only Rs 85 crores.

The SAIL board was also informed that the undertaking had defaulted in payment of interest and repayment of loans to the government. It has also suffered a cash deficit of Rs 29.50 crores in the first half of the current financial year.

An important factor contributing the present SAIL predicament is that its level of inventories in 1979-80 rose steeply to Rs 135 crores. This was largely because it was saddled with huge quantities of steel ingots which could not be rolled into products for want of power.

The ingot stock position in October 1980 was about 7.5 million tonnes but with the improvement of power position more than 2.5 million tonnes of ingots were liquefied and rolled into various products at the end of the year.

The SAIL had at one stage offered the steel ingots for sale to foreign buyers and had even received offers from some countries including the Soviet Union.

But the present thinking in SAIL seems to be to convert the remaining ingots into rolled steel now that the power position is almost normal in view of the large differential in cost of the finished products.

The ingot position is still piquant since even after liquefying the ingot stocks SAIL will continue to suffer large losses because of the rapid increase in production costs.

This has prompted the public undertaking controlling the integrated steel plants to seek an upward revision of steel prices.

According to information supplied to the SAIL board the proposal for price increases was in an advanced stage of consideration by the Government but this was unlikely to yield any significant additional resources during the current year.

HEAVY INDUSTRY DEPARTMENT REPORTS EXPORT RISE

New Delhi PATRIOT in English 12 Jan 81 p 7

[Text] During April-November, 1980 public undertakings under the department of Heavy Industry executed export orders of Rs. five crore more in value than the corresponding period of previous year.

Orders pending execution with these undertakings stood at Rs 899.39 crore at the end of November, 1980, primarily with BHEL (Bharat Heavy Electricals Ltd.) and EPIL (Engineering Projects India Ltd). The orders with RHEL are worth Rs. 244 crore and with EPIL Rs. 543.95 crore.

The production in several industries recorded an increase in the April-October, 1980 period. These are cement machinery (2.6 p.c.) paper and pulp machinery (13.2 p.c.) jeejs (34.2 p.c.) motor cycles (10.7 p.c.)scooters (60.5 p.c.) mopeds (64.1 p.c.), diesel engines-stationary (17 p.c.), commercial vehicles (10 p.c.), agricultural tractors (7.3 p.c.) railway wagons (13.8 p.c.) and three wheelers (107.8 p.c.).

However, in the same period the production of sugar machinery and cars came down as compared to the corresponding period of the previous year.

BHEL was unable to reach its projected target for April-October. It could touch only Rs. 335 crore mark against the target of Rs. 397 crore. This was also less than the Rs.343 crore reached in April October 1979.

In the department of Industrial Development, the cumulative production of all the units in the April-November period was about Rs. 118 crore, roughly 87 per cent of the target. But the production was about 24 per cent higher than in the corresponding period of the previous year.

PLANS FOR EXPANDING DURGAPUR STEEL PLANT TOLD

New Delhi PATRIOT in English 11 Jan 81 p 4

[Text] The capacity of the Durgapur Alloy steel plant of the Steel Authority of India Ltd (SAIL) is being expanded from 100,000 tonnes ingot a year to 160,000 tonnes.

The 50-tonne arc furnace which is being set up for this expansion is scheduled to commissioned in Hay.

Continuing an increasing trend in production, the Durgapur plant turned out 4978 tonnes of saleable alloy and special steels in December last as against 2696 tonnes in November. There was an increase of 88 per cent in production.

The December production is equal to the rated capacity of the plant and is the highest monthly production achieved in the last 21 months.

In December, despatches from the plant were of the order of 5301 tonnes as against 3199 tonnes in November, amounting to 121 per cent of the target for the month.

A SAIL release said, the performance would have been better but for the setback in power supply in the second half of December and low gas supply on account of continued restrictions on the rate of oven pushings.

AGREEMENT ON ALUMINUM COMPLEX SIGNED WITH FRANCE

Bombay THE TIMES OF INDIA in English 10 Jan 81 p 1

[Text] New Delhi, January 9: India and France today signed a technical collaboration agreement for setting up what is described as the largest aluminium complex in the free world.

The complex will be built in Orissa at an estimated cost of Rs. 1.242 crores and will consist of bauxite mines to produce 2.4 million tonnes per annum, an alumina plant with a capacity of 800,000 tonnes and a smelter with a capacity of 218,000 tonnes.

According to official estimates, the value of the output of the project will be Rs. 397 crores a year. A captive power plant with 700 Mw. capacity is part of the project.

A new public-sector undertaking named the National Aluminium Company has been set up with headquarters at Bhubaneswar to oversee the implementation of the project.

The collaboration agreement was signed by Mr. R. Ganapati, director of the National Aluminium Company, and Mr. P.J. Reaud, director of the French company, Aluminium Pechiney. Mr. Pranab Mukherjee, Union minister for steel and mines, and the French ambassador in New Delhi, Mr. Andre Ross, were among those present.

Major Decision

Mr. Mukherjee pointed out that the establishment of the aluminum complex was the first major decision of the present government on assuming office in January last year.

A memorandum of understanding was signed during the French President's visit to India on January 28. Mr. C.S. Swaminathan, special secretary in the ministry of steel and mines, described it as significant that "we are entering the implementation stage in less than a year of the signing of the memorandum."

Mr. Swaminathan listed several "firsts" about the project. It ranks first in size among the Indo-French collaboration projects. It is the first project to receive an allocation of as much as 1.75 billion French francs and the first to get as much as \$680 million of Euro-currency loan.

Out of the total estimated cost of Rs. 1.242 crores, the import component will be about Rs. 170 crores. However, if part of the captive power plant is imported, the foreign exchange component of the cost will go up to Rs. 370 crores.

Supporting the project would be a large infrastructure consisting of a railway link between the Krindul-Kottavalasu line and the Raigada-Visakhapatnam line estimated to cost about Rs. 150 crores, a coal mine with a washery to cost about Rs. 90 crores and a ship loader with some augmentation of port facilities at Visakhapatnam.

The French government finance and French export credits will total \$400 million on soft terms. A sum of \$680 million would be found by a consortium of banks led by Banque Nationale De Paris, Societe Generale, the Bank of America and the State Bank of India.

The alumine plant of the complex would be located close to the Panchpatmali bauxite deposits at Damanjodi. The smelter would be built at some distance north of Damanjodi in Augur near Talcher where the captive power plant will also be built. Coal supply for the power plant will be from the Talcher coalfield from a mine to be developed by Coal India Limited.

Suitable Knowhow

The French company, Aluminium Pechiney, would supply the "most suitable knowhow", keeping in view the nature of the bauxite deposits in Orissa. A provision has been made in the agreement for continued technical assistance to the Indian company for a period of three years after commissioning.

The government has appointed Engineers India Limited, a public-sector unit, as the principal Indian technical consultants. They will be responsible for detailed engineering construction management and overall co-ordination.

It is expected that the bauxite mine and alumina plant would start operating in 1985 and aluminium production in 1986. Of the annual value of Rs. 397 crores of the output of the project, the entire production of aluminium would mean a saving in foreign exchange to the tune of Rs. 315 crores. The export of alumina would fetch Rs. 82 crores.

At present, aluminium is imported and the current year's imports of 140,000 tonnes are valued at Rs. 200 crores. Since more than 50 per cent of the aluminium consumed in India is used in the power sector—both in generation sets and distribution network—it is obvious that aluminium has high priority among the industries.

RESERVE BANK POLICY DIMS PRODUCTION PROSPECTS

Calcutta THE STATESMAN in English 12 Jan 81 p 15

[Article by Subhasish Gupta: "R.B.I. Policy Dampens Production Prospects"]

[Text] While Mrs Gandhi's efforts to boost the morale of the business community through a series of speeches in Calcutta recently had little positive impact, the Reserve Bank's decision to enforce tighter credit norms has upset all industrialists who were planning to increase production with borrowed funds. By accepting the major recommendations of the Chore Committee on cash credit system, the RBI has virtually choked the availability of bank credit to industry.

As early as March 1979, the RBI Governor had asked commercial banks to review credit limits of Rs 50 lakhs or above and exercise greater scrutiny before granting further credit in cases where 60% to 65% of the existing cash credit limits to any borrower had been utilized. Now, banks will have to review all borrowers' accounts with working credit limits of Rs 10 lakhs and above, at least once a year. The borrowers will have to furnish the need for funds during a particular quarter before the commencement of the quarter. Quarterly statements also will have to be submitted by those who have working capital limits of Rs 50 lakhs and above. Hitherto, only borrowers with working capital limits of Rs 1 crore and above were required to submit such returns.

In fact, the flow of bank credit to industry has often been squeezed ever since the implementation of the Tandon Committee's recommendations. It seems that the RBI's understanding of the nature of the fundamental problems which the country faces today is not sufficiently clear. Admittedly credit curbs are at times necessary to control inflation; but it also has to be acknowledged that inflation is aided by a shortage of production or production at a high cost.

Working Capital

A number of industries are at present working below their optimum capacity because of the prevailing high input and operational costs. They cannot effect even a marginal rise in production due to the paucity of working capital. The all-round rise in costs has come to absorb a greater amount of capital for the same amount of output. Thus there is a growing tendency for production to fall. Under such circumstances, output can be boosted if producers are provided with short-term cash credit to tide over the difficult period. A higher production would bring them a higher profit from which they could repay their credit.

Bur the RBI decision has compelled investors to depend less on the banking system and draw a larger proportion of capital from owned funds and term borrowings. Such a step would not only discourage higher production but might even cut the existing levels of output. Borrowers' contribution from owned funds and term finance to meet the working capital needs should now be equal to at least 25% of the total current aspects.

The investment climate appears to be further gloomy when one adds to this the Prime Minister's comment that businessmen should plough back their profits to increase the country's prosperity. It hardly needs to be mentioned that if they could do so they would not have waited for the Prime Minister's suggestion. For reinvestment brings in higher profits.

EDITORIAL LAUDS DECISION ON EXPORT-IMPORT BANK

Bombay THE TIMES OF INDIA in English 9 Jan 81 p 8

[Editorial: "Exim Bank"]

[Text] The Union government's decision to set up an export-import bank comes not a day too soon. It will take over the job of arranging finance for project exports from the international financing wing of the Industrial Development Bank. In scale and complexity such exports have been increasing fast; indeed, they offer the best hopes of earning more foreign exchange through sale of Indian goods and services overseas as well as ensuring a fuller utilisation of idle capacity in a wide range of machine-building and light engineering industries at home. Though 1DBI has been functioning as the lead bank for financing such sales for some years now, the facilities at its disposal for a speedy appraisal of applications from the financial, technical and managerial angle are still rather limited. Indeed, in the very nature of things, it has very little experience in international banking and a specialised institution to handle the task is clearly called for. What is more, the IDBI has been unable to play a decisive role in tapping the overlapping Eurodollar or the petrodollar markets for financing any of the major projects at home. Since India's credit rating abroad is high and the country can safely borrow several hundred million dollars every year from these sources during the next decade to give a fillip to its mineral-based, chemical and petroleum industries in particular, the proposed export-import bank can do a good deal to mobilise the requisite funds. At the moment the lead for securing commercial loans from overseas for such projects is generally taken by foreign banks. The Union government has already given a number of valuable concessions, moreover, to potential Arab investors to facilitate the recycling of petrodollars. The new exim bank will have to function as the catalyst or co-ordinator for attracting such investments by way of equity or fixed interest-bearing bonds once it develops the necessary expertise.

Apparently, its structure and orientation will be more akin to that of the exim bank in Japan than the one in the USA. The latter is mainly concerned with the financing of government-aided projects overseas and offering concessional loans for the import of strategic materials into the USA. Judging by the experience of the Japanese institution, the Indian bank cannot be expected to flourish unless its paid-up capital, proposed to be pegged at Rs. 50 crores, is at least doubled. This is particularly necessary since bankers in Europe are alarmed at the increasing use of Eurocurrency to finance current account deficits in developing countries and may soon install a surveillance system to monitor the viability of the borrowing financial institutions on the basis of their capital, liabilities and profits. This apart, care should be taken to allow the projected export-import bank adequate flexibility for operating in the highly competitive field of international finance and, eventually, offshore banking.

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PRESS AGENCY REPORTS PROGRESS IN OIL HUNT

New Delhi PATRIOT in English 10 Jan 81 p 5

[Text] India has consolidated its position on the oil front with the completion of its world-wide oil hunt for 1981, reports UNI.

India has ensured itself of crude oil import of about 17 million tonnes for this year and if the Assam situation returned to normal in the meantime, the country could save at least about Rs 1,000 crores in foreign exchange. The eastern region accounted for production of about 5 million tonnes of oil.

For 1981, India has so far signed contracts with Mexico 1.5 millions tonnes, Algeria 0.5 million tonnes, Abu Dhabi 1.5 million tonnes, Libya 0.5 to 1 million tonnes, Nigeria 0.5 million tonnes, Saudi Arabia 2.5 million tonnes and Kuwait 0.5 million tonnes.

Negotiations with the Soviet Union are on for supply of 2.5 million tonnes. Besides Iran has agreed to maintain its normal oil supply to India, while supply from Iraq is still uncertain.

The cotal crude oil demand for 1981 is expected to be around 32 to 33 million tonnes. Indigenous production will be about 14 million tonnes.

Besides, the import requirement of petroleum products for 1981 is 7.5 million tonnes and the Government has already made arrangements for meeting the demands up to February next. Besides spot purchase, it will import products from the Soviet Union, Kuwait and Bulgaria to meet the demand during the whole year.

Shortage

Current shortage reported from certain parts of the country, particularly from North and North Eastern regions, is mainly due to transport problems. Otherwise, the country has built up sufficient inventory which could meet its requirements for another three months. It will draw now and then as per requirement from contracted parties.

According to official sources, the crude oil which is to be imported from Libya will be processed and imported as the percentage was content of Libyan crude is high.

With the recent increase in the oil price by the OPEC (Organisation of Petroleum Exporting Countries), India's oil import bill is expected to go up by Rs 1,000 crores during 1981 from the present estimated figure of Rs 5,000 crores.

The average cost of imported crude after the new prices came into effect from 1 January is likely to be between 39.6 dollars to 40 dollars per barrel.

Price Hike

Meanwhile, the Government is likely to increase the prices of petrol and diesel as a sequel to the OPEC decision. Petroleum Minister P C Sethi had indicated in Parliament recently that the Government would have no other alternative but to put up the prices if the OPEC decided to do so.

The Government may have to increase the prices of other petroleum products also particularly kerosene. There is already a difference of 65 paise between diesel and kerosene prices. This had led to large scale adulteration of kerosene with diesel. So, any further hike in the price of diesel will necessitate an increase in the kerosene price also to check adulteration and avoid possible scarcity. Kerosene is already a rationed item.

The total burden by the oil industry because of the frequent increase in the international prices for petroleum, incidental costs and borrowing from the financial institutions is about Rs 2,466 crores at current prices. By the last price hike, only an amount of Rs 2,100 crores was passed on to the consumers when the prices of HSD, LDO and petrol were raised by 65 paise. The burden has further increased following the recent jack up the price of crude oil by OPEC.

ASSAM AGITATORS ALLOW REFINERY TO RESUME PRODUCTION

Calcutta THE STATESMAN in English 12 Jan 81 p 1

[Text] Gauhati, Jan. 11.--The All-Assam Students' Union and the All-Assam Gana Sangram Parishad today allowed the Bongaigaon refinery, which remained closed for the past one year, to resume production immediately, report UNI and PTI.

The convenors of AASU's oil Blocked Committee, Mr Deba Bora and Mr Arun Sarma, in a joint statement said the decision had been taken at a meeting of AASU, AAGSP and the Coordination Committee of All-Assam Oil Employees on January 8.

The convenors said the decision was made to ease the acute scarcity of kerosene and diesel in the North-eastern States. They said, however, that kerosene, which would be refined, at the Bongalgaon refinery would be distributed only in the North-Eastern region and not outside.

The finished products of the refinery, not used in the region, might be sent outside through the Railways and not by the pipeline, they said.

The meeting decided to continue the blocked on flow of crude to outside the State and said that the three refineries--Gauhati, Bongalgaon and Digboi--should continue to function.

The Gauhati and Digboi refineries, which had been functioning normally for the last several weeks, could not meet the demand of kerosene and other petroleum products in the region. Moreover, the kerosene unit of the Gauhati refinery had remained shut down over the last two months due to technical problems, they added.

Meanwhile, AASU today alleged that the Union Home Minister, Mr Zail Singh, had been beating about the bush instead of solving the foreign nationals problem in Assam.

The general secretary of AASU, Mr Bhrigu Kumar Phukan, in a statement here said that after his last talks with the agitation leaders the Mome Minister had given several ersions just to civer his inability to solve the problem."

Mr Phukan said Mr Zail Singh had no opinion of his own to solve the problem and did not favour holding of tripartite talks.

He alleged that the Home Minister was "helping" the State Government to adopt some anti-movement methods.

While the Centre announced that it had kept the door open for talks, the arrest of the assistant general secretary of AASU yesterday and Army's taking over the Duliajan oil field were against the spirit of the announcement, Mr Phukan said.

In Jammu, Mr Krishan Lal Sharma, all-India secretary of the Bharatiya Janata Party today demanded the dismissal of the Congress(I) Government in Assam.

Taking to reporters, Mr Sharma said instead of solving the Assam problem, the Home Ministry was concentrating its energy on encouraging defections in the State. The Press conference was part of the Assam Day" being observed by the BJP throughout the country.

DELHI PLANS 'FIRST NATIONAL INLAND WATERWAY'

New Delhi PATRIOT in English 10 Jan 81 p 9

[Text] The Centre has decided to declare the 500 kilometre long Haldia Farrakka water stretch through the Hooghly-Bhagarthi rivers as the first national inland waterway of the country, reports PTI.

Union Minister of State for Shipping and Transport Buta Singh told a press conference on Priday that Government would bring forward a legislation to this effect in the forthcoming budget session of Parliament.

Replying to a question, he said Government would spend about Rs three crore as capital investment to develop this national waterway.

The Minister said that the Government was also actively considering a proposal to declare 9 more rivers in the country as national waterway.

He said Government had already spent about Rs 34 crore on the development of inland water transport in the country and it proposed to spend about Rs 45 crore more during the Sixth five year plan period.

On the delay in the development of inland water transport in Ganges river, he said that this was because the river was not deep enough and it kept on changing its course.

Referring to development of shipping services, Mr Buta Singh said that by the end of the Sixth plan period, the country would have a total of 8.9 million tonnes GRT of shipping cargo capacity as against the existing 5.6 million tonnes GRT.

The Government, he said, proposed to spend about Rs 750 crore to achieve this tonnage while it expected considerable rise in the tonnage in the private sector too.

He said that all major ports in the country were being expanded in a 'big way' to handle increased cargo.

There was 'practically' on congestion on any of the ports at present, he said.

On the development of roads, Mr Buta Singh said an amount of Rs 830 crore would be spent in the Central sector. Of this Rs 660 crore would be spent on national highways alone, he said.

The Minister said that certain sections of national highways including Ahmedabad, Baroda, Bombay, Puna, Vijayawada, Guntur and Delhi, Amritsar were being widened into 4-lane highways. Nearly 20,000 kms of a total of 30,885 kms of national highways already and two-lane roads.

CANGES TALKS ADJOURN WITH REVIEW INCOMPLETE

Bombay THE TIMES OF INDIA in English 10 Jan 81 p 1

[Text] New Delhi, January 9. The Indo-Bangladesh talks on Ganga waters were adjourned today without the review of the 1977 agreement being concluded despite the Indian delegation leader's insistance in his opening remarks that the "openended discussion" must come to an end.

The two delegations will meet again in Dacca in the middle of next month to continue the review.

In the process, the two delegations have set aside the mandate contained in the agreement that the review should be completed by December 5 last.

Long-Term Proposals

Both the delegation leaders, Rao Birendra Singh of India and Kazi Anwarul Haque of Bangladesh, claimed that "a lot of ground" had been covered in the talks but refused to elaborate what specifically was achieved. They also did not say whether any "area of agreement" had been discovered.

Claiming that the talks had been "useful", Rao Birendra Singh, pointed out that the two delegations had met five times in the course of the last three days, besides sub-groups meeting separately to consider specific issues.

However, while being reticent on what ground had been covered on the issue of short-term sharing of the flow of the Ganga, he admitted that the meetings had not done any work on long-term proposals for the augmentation of the river's water. "No work has been done on the proposals in the last three years. That is a fact," he said.

The two ministers also did not reply to a question whether, after they had rejected each other's proposal for the augmentation of the river's flow in their opening remarks, they had found, during the talks, points on which they could agree.

The Bangladesh side, while questioning the utility of the Farakka barrage, had suggested the construction of a canal from the sea to Calcutta port to solve the problem of navigability. The Bangladesh minister also accused India of "quietly" diverting water from the upper reaches of the Ganga for which both Calcutta port and Bangladesh were in "such dire straits".

He also rejected outright the Indian proposal for the construction of a link canal between the Brahmaputra and the Ganga on the ground that it would disturb the ecology of the region and interfere with the traditional flow of the rivers.

Rao Birendra Singh had said that there was no point in raising the question of the utility of the Farakka barrage at this stage when it had worked for five years "with beneficial results for Calcutta port." He said that according to well-established international norms and conventions, India was entitled to a major share of the Ganga waters.

The Indian minister also pointed out that if the Bangladesh arguments on ecology and maintenance of "historical flow" of the rivers were to be accepted, nothing could be done to utilise the water resources for the benefit of mankind. India could not accept such a position.

THAL FERTILIZER PLANT TO BE COMPLETED ON TIME

Bombay THE TIMES OF INDIA in English 8 Jan 81 p 1

[Text] New Delhi, January 7: The Thal-Vaishet project will be completed on schedule even if the World Bank has declined to provide the promised loan of \$240 million, Mr. R. Venkatraman, Union finance minister, assured Mr. A.R. Antulay, chief minister of Maharashtra, here today.

Mr. Antulay told newsmen later that alternative arrangements would be made to finance the Rs. 600-crore project scheduled to be commissioned in 1985.

He had discussed the project with the petroleum and chemicals minister, Mr. P.C. Sethi, yesterday. Although the World Bank had promised in June 1979 a loan of \$250 million the deal fell through over the switching over by India of the consultan's for an ammonia plant from an American firm to a Dutch firm.

In response to an explanation sought by the World Bank on the reason for this switch, the government sent two representations justifying its action and also requested for an extension of time to go into further details. The World Bank then took the stand that the assured loan be treated as lapsed.

Nearly Rs. 40 crores have already been invested in this project to set up infrastructural facilities and as much as one million cubic feet of gas is being flared as waste when there is crying need for cooking gas all over the country.

PTI adds: The World Bank president, Mr. Robert McNamara, is paying a visit to India next month.

The six-day visit beginning February 4 is regarded as a farewell one for Mr. McNamara, who lays down office in June this year.

But the visit assumes significance in the context of the current controversy over the 250-million-dollar assistance for the Thal projects.

HISTORIANS WARN AGAINST RSS 'HISTORY REWRITE'

New Delhi PATRIOT in English 11 Jan 81 pp 1, 5

[Text] Fourteen eminent historians from different universities warned Indian intellectuals in a statement on Saturday against the sinister designs of the RSS-sponsored 'Bharat Vikas Parishad' to revive the moves for distorting scientific history by giving it a communal colour.

The Bharat Vikas Parishad has convened a two-day seminar at Vigyan Bhavan from Saturday for promoting a 'battle for the past', a movement for rewriting Indian history from the revivalist and communal angle.

The statement was signed, among others, by Prof Irfan Habib, Prof Subhash Chakravarty, Prof Randhir Singh and Prof S R Singh.

They said that revival of the ancient past particularly Hindu Rashtra had been the constant preoccupation of the Indian communalists, who were attacking scientific and secular history from various forums and organisations.

The latest of their forums is the Bharat Vikas Parishad under whose auspices a seminar is being held at Vigyan Bhavan on 10 and 11 January 1981. 'Battle for the past,' which has all along been the refrain of the kind of history they have manufactured, occupies a prominent place in the themes for the seminar. Although the Bharat Vikas Parishad claims to be non-political, it is irrevocably committed to political communalism and intellectual obscurantism.'

'It is an irony of history' they said, 'that the rank communalists, who sent a secret note to Janata Party Prime Minister Morarji Desai in May, 1977, urging him to ban four history books have now appeared under a new garb ostensibly to promote intellectual freedom, but to distort all scientific history.

It is the same communal and obscurantist elements, who, with the patronage of the Education Ministry, had set up the Indian History and Culture Society as a counterpoise to the Indian History Congress, the only national body of Indian historians.

'The Indian History and Culture Society eventually became the converging point of Hindu and Muslim communal historians for attacking history written on scientific and objective lines.

'We hope that the Indian intellectuals who stand for academic freedom, democracy and intellectual progress will see through the game of these communalists and do their utmost to foil their sinister designs first manifested in the form of the Indian History and Culture Society and now being camouflaged under Bharat Vikas Parishad.

Other signatories to the statement were: Dr H C Verma, Dr D N Jha, Dr A K Sinha, Dr R L Shukla, Dr Suvira Jaiswal, Dr Manoranjan Jha, Dr N K P Sinha, Prof S Sarkar, Prof Kunal Chakrabarti and Mr Priyankar Upadhyaya.

BRIEFS

MAHARASHTRA CONGRESS(I) CHIEF -- New Delhi, January 7. Mr. G.K. Moopanar, AICC(I) general secretary, today announced the appointment of Mr. Gulabrao Raghunathrao Patil as the Maharashtra state party chief. The appointment of Mr. Patil in place of Mrs. Premalatai Chayan is regarded as a victory for Mr. A.R. Antulay, chief minister, in political circles. Our staff reporter adds: Mr. Gulabrao R. Patil is the chairman of the Maharashtra state cooperative bank in the state. He hails from Sangli district and is known to be a rival of Mr. Vasantdada Patil, general secretary of the AICC(I) former Maharashtra chief and former MPCC president. The appointment of Mr. G.R. Patil brings to an end the suspense of over two months which followed the resignation of Mrs Premalatai Chavan as president of the MPCC(I). However, till today there was no news of her resignation being accepted. Mr. Patil, 59, was born at Benadi in Belgaum district. He studied law at Kolhapur and in college was taught philosophy by novelist N.S. Phadke. He was a member of the Rajya Sabha from 1966 to 1972. He is widely travelled and has visited the United States, Japan and South Korea. Mr. Patil has been active in the cooperative field for many years. [Excerpt] [Bombay THE TIMES OF INDIA in English 8 Jan 81 pp 1, 9]

RICE TO USSR--Hyderabad, January 7 (UNI): The Andhra Pradesh government proposes to export 50,000 tonnes of fine rice to the Soviet Union this year, according to the state commerce minister, Mr. N.N. Hashim. An agreement in this regard would be reached soon, he told newsmen here yesterday. The price quoted by the state this year was a hitch, he added. He said the consignments would be shipped between April and June. Mr. Hashim said last year as agreement was signed with the Soviet Union for export of 60,000 tonnes of fine rice of which 30,000 tonnes had already been sent. The remaining quantity would be sent in three instalments by the end of February. [Text] [Bombay THE TIMES OF INDIA in English 8 Jan 81 p 18]

ASSAM ORDER EXTENDED—Gauhati, January 7 (UNI): The Assam government today extended the operation of the essential services maintenance (Assam) act, 1980, prohibiting strikes in essential services for a further period of three months. The services in which strikes have been prohibited include those connected with the loading and unloading of goods, industrial establishments and those engaged in purchase, procurement, storage, supply and distribution of water and electricity, including the services under the state electricity board. The services of the Assam state transport corporation have also been declared essential by a separate notification. [Excerpt] [Bombay THE TIMES OF INDIA in English 8 Jan 81 p 1]

CHIEF JUSTICES NAMED--New Delhi, January 7 (UNI): The President has appointed Mr. Justice Prakash Narain as chief justice of the Delhi high court. Mr. Justice V.S. Deshpande has been appointed as chief justice of the Bombay high court and Mr. Ranganath Mishra as chief justice of the Orissa high court. All the three are at present acting chief justices of the respective high courts. [Text] [Bombay THE TIMES OF INDIA in English 8 Jan 81 p 1]

NEW SIKKIM GOVERNOR--Gangtok, Jan 9 (UNI)--Mr Homi J H Taleyarkhan, veteran Maharashtra politician and former Indian ambassador to Libya, today took over as the second Governor of Sikkim. Sikkim Chief Justice M S Gujral administered the oath of office. [Text] [New Delhi PATRIOT in English 10 Jan 81 p 1]

CENSUS PLANS TOLD-Bangalore, Jan 9 (PTI)-Enumeration in the coming 12 Census of India will be held between 9 and 28 Pebruary and the revisional round between 1 and 5 March, Registrar-General and Census Commissioner of India Padmanabha said here today. He told PTI that census officers had been specially instructed not to overlook places like isolated dwellings, forest checkposts, tribal clusters etc. Earlier, the fifth conference of census officers in connection with the coming census was inaugurated here by Karnataka Chief Minister Gundu Rao. [Text] [New Delhi PATRIOT in English 10 Jan 81 p 9]

SEYCHELLES NAVAL TRAINING—India has agreed to provide training facilities to naval personnel of Seychelles for effective patrolling of its exclusive economic zone. An Indian team had discussions with officials of Seychelles in Victoria recently on the matter. [Text] [BK161036 Delhi General Overseas Service in English 1000 GMT 16 Feb 81]

AMBASSADOR TO IVORY COAST--Har Charan Singh Dhody, presently director in the Ministry of External Affairs, has been appointed ambassador of India to the Ivory Coast in succession to Vadakke Kurupat Mallinath Menon. [BK161105 Delhi ISI Diplomatic Information Service in English 1745 GMT 11 Feb 81 BK]

INDO-SOVIET TEXTBOOK PROTOCOL—A protocol to strengthen the Indo-Soviet textbook programme was signed in New Delhi on 9 February. T.N. Chaturvedi, secretary, Ministry of Education signed it on behalf of the Government of India and Professor N.S. Egorov, deputy minister of high and specialised secondary education, on behalf of the Soviet Government. This follows the 12th meeting of the joint Indo-Soviet textbook board which concluded in New Delhi on 9 February. The protocol agrees to widen the scope of publication under this programme so as to include books at vocational level in the field of paramedicine, training for craftsmanship, continuing education, pedagogy and physical education. It was so far covering university and research level in the fields of basic sciences, technical education, agriculture, medicine and the humanities. [Text] [BK161105 Delhi ISI Diplomatic Information Service in English 0841 GMT 10 Feb 81 BK]

ENVOY TO PDRY--Satinder Kumar Uppal, presently deputy secretary in the Ministry of External Affairs, has been appointed ambassador of India to the People's Democratic Republic of Yemen in succession to Ismail Mohamedally Kanga. He is expected to take up his assignment shortly. [Text] [BK171143 Delhi ISI Diplomatic Information Service in English 1529 CMT 16 Feb 81]

INDO-ITALIAN TAX AGREEMENT--India and Italy have agreed on avoidance of double-taxation and prevention of fiscal evasion of taxes on income, according to official sources here, reports PTI. The bilateral agreement was signed by Mr J C Ajmani, the Indian Ambassador, and Mr M Bucci, Director-General of Foreign Affairs, on behalf of Italy, at Rome on Monday. The agreement also provides for further incentives for growth of trade and industrial cooperation between the two countries. The bilateral trade in 1980 is expected to be well over Rs 400 crore, the sources estimated. Ninteen large industrial collaboration agreements have been concluded up to June 1980. [Text] [New Delhi PATRIOT in English 16 Jan 81 p 5]

GOA GOVERNOR RESIGNS--Panaji January 8: The Lt.-governor of Goa, Col. Pratap Singh Gill, today sent in his resignation to the President with a request to "accept it with immediate effect." Though Col. Gill has not assigned any reason for his resignation, political circles feel it has come in the wake of the mounting criticism against him for "meddling with the judiciary." It is understood that, even if Col. Gill had not resigned voluntarily, he could have been dismissed by the President for his decision to extend the services of the judicial commissioner of Goa, Mr. Menezes, whose term had expired on December 30. [Excerpt] [Bombay THE TIMES OF INDIA in English 9 Jan 81 p 1]

VANADIUM DEPOSIT FOUND—Bhubaneswar, January 7 (PTI): A large deposit of vanadium in the sea bed off the Ratnagiri coast in Maharashtra has been discovered in an exploration project jointly undertaken by the Regional Research Laboratory at Bhubaneswar and the National Institute of Oceanography at Panaji. This was disclosed by Prof. P.K. Jena, director of the Bhubaneswar laboratory, at an international symposium on "Recent advances in beneficiation and agglomeration of minerals," which commenced its three-day session here today. He, however, did not elaborate the findings. [Text] [Bombay THE TIMES OF INDIA in English 9 Jan 81 p 16]

TUNISTAN ENVOY'S CREDENTIAL PRESENTATION—New Delhi, 5 Feb (ARP)—President Neelam Sanjiva Reddy today said that India was set for a "versatile and dynamic relation—ship" with Arab countries. He was welcoming Tunisia's first Ambassador Abderraouf Ounaies who presented his credentials to him this morning. [Excerpt] [BK061357 Hong Kong AFP in English 0817 GMT 5 Feb 81]

NEW UAE AMBASSADOR--New Ambassador of the United Arab Emirates 'Abd al-'Aziz Nasir al-'Uwayti presented his credentials to President Sanjiva Reddy at presidential residence on 7 February. [BK090457 Delhi Domestic Service in English 0830 GMT 7 Feb 81]

ENVOY TO BOTSWANA--Ravindra Tandon, high commissioner in Zambia who is also concurrently accredited to Botswana, presented his credentials to Dr Q.K.J. Masire, president of the Republic of Botswana on 3 February. [Excerpt] [BK090457 Delhi ISI Diplomatic Information Service in English 1502 GMT 7 Feb 81]

EARNING FROM TOURISTS--The country earned foreign exchange worth over 4.8 billion rupees as a result of the tourist inflow from abroad during 1980. More than 800,000 international tourists visited India in this period which marks a 4.6 percent increase compared to 1979. [BK090457 Delhi Domestic Service in English 0240 GMT 7 Feb 81]

CRUDE OIL FROM VENEZUELA--India is to get half a million tons of crude oil from Venezuela this year. An agreement to this effect has been signed between the state-owned Copouan S.A. of Venezuela and the Indian Oil Corporation. India will be receiving Venezuelan crude for the first time. [Text] [BK091243 Delhi Demestic Service in English 1230 GMT 9 Feb 81]

PROBLEMS FACING HIGHER EDUCATION IN COUNTRY OUTLINED

Hanoi DAI HOC VA TRUNG HOC CHUYEN MGHIEP in Vietnamese No 9-10, Sep-Oct 80 pp 27-28

[Article by Nguyen Tien Dat, the Institute of College and Vocational Middle School Research: "A Few Aspects of the College and Vocational Middle School Situation in Kampuchea"]

Excerpt During the nearly 4 years under the genocidal regime of the Pol Potleng Sary clique, the educational activities of the colleges and vocational middle schools of Kampuchea came to a complete stop. The equipment and various means used for research, instruction and study were either destroyed or allowed to fall into a state of disrepair with the result that practically nothing was left; teachers were abused in servile labor and nearly all of them were killed. For example, in 1968, the public health sector had 440 dectors, 77 pharmacists and 40 dentists; now, there are less than 50 public health cadres who have a college education.

According to newly compiled statistics, there are only about 250 persons in Kampuchea who have a college or post-graduate education (two Ph.D.'s in the social sciences, two engineering Ph.D.'s, 52 level III teachers, 46 persons with Bachelor's Degrees, 30 doctors, 16 pharmacists, 81 engineers and 7 architects). The majority of these intellectuals who survived are performing many jobs in the various ministries and the other agencles outside the education sector.

The process of rebuilding and developing the college and vocational middle school sector of the People's Republic of Kampuchea is encountering the following major difficulties:

1. A shortage of teachers: the number of surviving intellectuals is small and an even smaller number is on the staffs of the various colleges, with some colleges having only one or two intellectuals. In order to resolve this difficulty, the reopened colleges must, in the immediate future, use many part-time instructors. The Ministry of Education of the People's Republic of Kampuchea has begun to raise the matter of training, in a rapid and planned manner and both at home and abroad, a corps of teachers from among the surviving intellectuals and college students and has projected that it will take many years to build a corps of teachers that meets the needs of training in Kampuchea.

- 2. A shortage of students, the number of remaining former college students who have registered is 1,248, 1,003 of whom are in the college system and 245 of whom are within the vocational middle school system (does not include the medical and pharmaceutical college students); there are 832 level II graduates, 556 level I graduates and 2,136 students who have not finished level III general school. In addition, during the recent first school year under the new government, 90 students graduated from level III general schools (the 10 year system). This small source of future college students is being absorbed into the pressing and numerous activities of the country; therefore, the colleges and vocational middle schools will not be able to achieve full enrollment. A look at the number of students in the final grades of general schools during this school year (90 10th grade students, 120 9th grade students, 500 8th grade students, 1,000 7th grade students and 3,000 6th grade students) shows that the sources of college and vocational middle school students in the People's Republic of Kampuchea will continue to be very limited for the next 5 years.
- 3. A lack of material bases for teaching and learning: the majority of the colleges are nothing more than buildings in which there is a shortage of the means needed for teaching and learning, such as desks and chairs, notebooks and textbooks, teaching and learning aids, equipment for experiments and so forth, including the minimum means needed for students at boarding schools, such as beds, mats and so forth. These difficulties are gradually being overcome through the efforts being made at home and the assistance of foreign countries, primarily the fraternal socialist countries.

Reopening a number of colleges is the immediate task of college and vocational middle school education in Kampuchea. On 10 January 1980, the College of Medicine in Phnon Penh began classes with an enrollment of 723 (479 students in the medical sector and 244 in the pharmaceuticals sector) in classes from college preparatory to the 6th year of college education; at the conclusion of the recent school year, this college graduated its first class, a class consisting of eight doctors and nine pharmacists.

In order to meet the need for teachers at the general schools, the Teachers' College in Fhnom Penh is preparing to open its doors soon; it is recruiting 30 students for the short-term, level III teacher training class, 220 students for the short-term, level II teacher training class and plans to enroll 200 long-term students.

According to projections by the Kampuchean Ministry of Education, in the next few years, the Technical College, the College of Agriculture, the College of Art and a number of faculties of Phrom Penh University (such as the economic faculty and so forth) will open their doors. For the foreseeable future, the majority of the colleges will continue to simultaneously maintain two training systems: a college system and a vocational middle school system.

The fraternal socialist countries have been and are helping Kampuchea to rebuild and develop its college and vocational middle school educational systems. Vietnam has provided us with many experienced specialists and instructors to help reopen schools (such as the College of Medicine, the Teachers' College and so forth).

The Soviet Union has agreed to rebuild the Khmer-Soviet Union Friendship Technical College (which is planned to be completed in 1983) and a trade training school in Phnom Penh. The GDR is helping us to re-equip a trade training school in Battambang, etc. The Soviet Union, Vietnam, the GDR, Bulgaria, Czechoslovakia, Hungary and Cuba have agreed to train skilled workers and vocational middle school and college cadres to help Kampuchea.

NATION'S COLLEGE EDUCATION DESCRIBED

Hanoi DAI HOC VA TRUNG HOC CHUYEN NGHIEP in Vietnamese No 9-10, Sep-Oct 80 pp 25-26, 32

Text J On 2 December 1975, after 30 years of struggle, the national-democratic revolution in Laos won total victory and the U.S.-lackey regime was toppled. A new era faced Laos, the era of following the path of socialist development.

Taking the lead in the socialist transformation and socialist construction campaigns is the Marxist-Leninist party, which was tempered in combat, and the National Front, which united the long struggles against imperialism and feudalism. The positive support and assistance of the socialist community have been of major significance. We have placed the country on the path of advancing directly to socialism, without experiencing the stage of capitalist development, on the basis of an economic system that is not unified, a system in which small-scale, private production predominates, material-technical bases are weak and workers are persons left behind by the past (more than one-half of the population of Laos was born under the colonialist system). The path that we have chosen has faced our party and people with many problems related to transforming society in the fullest and most thorough manner possible.

The matter with which we have been especially concerned is that of establishing the necessary premises for socialist construction. According to the resolutions adopted at the 4th and 5th Plenums of our party, the development of popular education must be carried out one step ahead of development in all other fields of transformation in the building of socialist society.

Over the past 2 years, the popular education system has mobilized all of the means needed to bring about this leap forward in the process of development. Below, we have briefly presented the most important aspects.

We have unified the structure of the educational system, which consists of the following systems:

- 1. General schools:
- -- Pre-school education (3 years)
- -- Elementary school (5 years)
- -- Level I middle school (3 years)
- --Level II middle school (3 years)
- 2. General school education for adults, which consists of three levels (2 years on each level).
- 3. Technical schools and professional schools on two levels:
- --Level I: the training of specialized manual workers (2 years) and the training of elementary school teachers (3 years);
- --Level II: the training of middle school level technical cadres (3 years) and the training of Level I middle school teachers (3 years).
- 4. The colleges, which consist of three schools:
- -- The Teachers' College
- -- The Signal-Liaison College
- -- The College of Medicine.

The programs of study and textbooks that were compulsory in the old liberated zone have been revised to suit the needs of the country's new situation; at the same time, we have established several new curricula of a patriotic, progressive and popular nature.

The teachers who worked for the old regime have been retrained; the majority of them have wholeheartedly implemented the line of the party and the government just as their colleagues in the liberated zone did in previous years.

We have made major progress. The struggle to wipe out illiteracy has been carried out in a very positive manner; the number of illiterate persons declined from 95 percent in 1945 to 60 percent in 1975 and 35 percent in 1978. During the 1977-1978 school year, there was an enrollment of 442,000 students at the incomplete schools, an enrollment of 59,200 students at the general schools (compared to 42,000 during the 1976-1977 school year) and an enrollment of 10,500 students at the specialized technical schools and the technical vocational schools (compared to an enrollment of 9,600 during the 1976-1977 school year).

These very important achievements we have recorded are only the first step in the development of the educational system. During the past 2 years, we have primarily focused our efforts on resolving the most immediate, pressing problems. The effort to reorganize the system of popular education and make it socialist in content has consisted of:

1. Reorganizing the structure of education;

- 2. Making the subject matter (on all levels of education) consistent with the objectives and principles of socialist education by basically revising the programs of study and curricula;
- 3. Wiping out illiteracy in 1980;
- 4. Making certain revisions in the organization, leadership and management of schools in order to make them consistent with the standards of the socialist school;
- 5. Providing advanced training to existing teachers and accelerating the training of new teachers; attaching special importance to training teachers for the ethnic minorities. In the next 3 years, educational work among the people, in ping with the line of the party, must be raised to a higher level. Through our actions, we must guarantee to the party and the government that these tasks will be completed.

As regards college education, the general situation is as follows:

We only have a small number of cadres who have a college education and graduated from college in the fraternal socialist countries or the western countries. At present, 1,200 students are studying in the socialist countries and 1,000 students are studying at domestic colleges. The training of students at domestic colleges is more advantageous for many reasons. Training coordinates theory with practice and the student is able to research the specific problems in the everyday life of lacs. However, we temporarily lack the conditions needed to achieve this.

The only college within the liberated zone of the Lao Patriotic Front was the Teachers' College, at which instruction was entirely in the mother tongue. The college system in the areas occupied by the U.S. imperialists consisted of a few schools, which primarily had the purpose of supporting the propaganda efforts and the activities of the aggressors and never provided a future for their graduates.

When political power was put into the hands of the people, these colleges were still in the hands of the French (French programs, French instructors and instruction in the French language). Lacking the conditions and advantages needed to immediately open our own system of college education (as was previously the case with middle school education), we have not yet been able to change this clearly unsatisfactory situation. Only recently have we decided to terminate the presence of French professors in our country.

The various matters regarding college education are still entirely open to discussion. Here, however, as at the incomplete general schools, everything revolves around one basic factor, the character of the teacher. Having the colleges handle this matter independently will require the establishment of a condition. That is, we must entrust instruction to the Council of Professors or to the persons who provide instruction and make them individually or collectively responsible to the Ministry of Education. In this "start-up" stage of the college education system, we must have the help of specialists in the socialist countries. Such a program might be implemented at the Teachers' College or the other colleges. Together with training cadres in the process of their occupational activities, we also see the need to train education and research cadres in the various fields of science and technology

on the post-graduate level. In the future, we will recognize the right of highly specialized scientific and technical cadres to be trained on a priority basis for such fields as farming, forestry and livestock production. Now, however, we must concern ourselves with meeting the needs of industry, including the food products industry.

Introducing new factors in the educational system is a difficult and long-range task. Therefore, it is not surprising that we face very many problems that must be resolved in this initial period of our activities:

--Shortages of supplies (books, copy-books, equipment for experiments, tools and machines for shops, equipment for vocational schools, farm type schools and shop type schools and building materials for schools in the cities);

--Shortages of teaching and learning aids, textbooks that are not consistent with the new programs and a shortage of teachers, professors and administrative management cadres.

Fortunately, we have received some help with these problems thanks to the kindness of teachers and their parents, the deep desire of the masses to learn and the assistance of the socialist countries and international organizations.

The building of the socialist system of education and the training of scientific and technical cadres for the development of the country are clearly not easy tasks. On the basis of the correct line of our party in the field of education, through the efforts of the working masses, of teachers and students and with the experience and technical and material assistance of the socialist countries, we think that we will successfully overcome the difficulties we are encountering and will, in the not too distant future, advance this difficult but beneficial work to ultimate victory.

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EDUCATION, TRAINING DEVELOPMENTS, POPULATION STATISTICS DESCRIBED

Student Population

Vientiane SIANG PASASON in Lao 8 Dec 80 p 2

[Article: "Achievements in Education"]

[Excerpt] Primary School Affairs

In order to carry out things in accord with the resolution of the Political Bureau and the 3-year Education Plan of the Ministry of Education, many provinces have resolutely decided to expand the number of schools to enable many villages to have early primary grade schools, to enable many large villages to have full primary schools and to enable several rural areas to have schools. For example, Oudomsai Canton in Saisettha District, Attopeu Province, is a Lao Theung canton with seven villages. All seven villages have primary schools. In Houa Phan Province, where there are several ethnic minorities, the expansion of the schools has proceeded regularly just as with the Lao Loum.

At present, there are a total of 6,115 primary schools in the country. There are more than 463,000 students and there are 14,983 teachers. As compared with the total number of children in the 6 to 10-year-old group throughout the country, this is 80.60 percent of the 574,000 children.

Secondary School Affairs

Along with expanding the number of primary schools, the provinces have also greatly expanded the number of secondary schools, viewing them as the heart of the education system. Secondary schools have been built in the cantons. The best of all is Vientiene Province with 76 secondary schools. On the average, there were two secondary schools for each three cantons. In Savannakhet Province, there is one secondary school for each three cantons. At present, there are 306 secondary schools in the country. There are more than 61,600 students and there are 2,577 teachers.

Upper Secondary Affairs

At present, there are upper secondary schools in all the provinces. In some provinces they exist at the district level. For example, in Houa Phan Province

there are 3 schools in 6 districts. Vientiane Province has 12 schools in 15 districts. In Savannakhet Province, there are 4 schools in the 8 districts. In Champassak Province there are 3 schools in the 10 districts. There are a total of 33 in the country with a total student population of 9,998 students. There are 469 instructors. As compared with 1975, there are now an additional 22 schools and the number of students has doubled.

Teacher Training Requirements

Vientiane SIANG PASASON in Lao 9 Dec 80 p 2

[Article: "Achievements in Education"]

[Excerpt] After the country was completely liberated, even though various difficulties were encountered, the Party Central Committee and the government and the Ministry of Education gave attention to guiding the planned construction of vocational schools in order to ensure progress and an increase in the number and quality. This was done to train technical workers, specialists and scientists in order to be able to satisfy [the requirements of] socialist change and socialist construction. This was carried on by using the party's lines and policies and the revolutionary educational line in the vocational schools and making changes in the old vocational schools so they support the political tasks of the party and state. At the same time, the curriculum and activities were changed to put them in line with the realities of production in society.

At present, there are many types of vocational schools located in several areas in the country. There are medical schools, posts and telegraph schools, agricultural schools, commerce schools, financial schools, machine shop schools, electrical energy schools and so on. Concerning these schools, both the localities and the ministry play a part in managing them. For the six vocational schools that are under the control of the education sector, three are under the control of the Provincial Education Service. These are the basic technical schools in Savannakhet and Khammouan provinces and in Phon Sai in Vientiane Province. The other three schools that are under the control of the Ministry of Education include the Pakpasak technical school which has basic and intermediate levels, the KM3 technical middle school and the Electronics Middle School.

In school year 1975/1976, the number of students at the vocational middle schools of the Ministry of Education reached only 160 students. But by school year 1979/1980, the number of students had increased to 916 students. At present, the basic vocational schools under the control of the Provincial Education Service have 935 students, which is an increase of 367 students as compared with the number in 1975/1976. At the same time, the number of instructors has increased to 134, which is an increase of 35 people as compared with 1975/1976.

In order to improve the quality of the existing technical schools, in the past period, the government and the Ministry of Sports, Education and Religious Affairs, has requested help from the Soviet Union, the German Democratic Republic, the Socialist Republic of Vietnam and international organizations in order to obtain modern equipment for the schools, to build basic vocational schools for

600 [students] in Vientiane, to train technical workers and vocational instructors, to build dormitories for the Pakpasak Technical School students and to plan the construction of a university [as called for] in the past 5-year plan.

Teacher Training and In-Service Training

During the past 5 years, teacher training and the in-service training of teachers has expanded greatly in accord with the realities of the expansion of education and the number of teachers needed. During the past priod, teacher training has been divided into two programs: the standard teacher craining program and the state teacher training program.

The Standard Teacher Training Program.

The training of primary school teachers follows a 5 plus 3 [year] program (such schools are called basic teacher training schools). Such schools are located in all provinces throughout the country for a total of 16 schools.

The training of secondary school teachers follows an 8 plus 3 [year] program (such schools are called intermediate teacher training schools). There are six schools of this type in the country.

The training of upper secondary instructors follows an 11 plus 4 [year] program (this is the Teacher Training College in Vientiane). The training of kindergarten teachers follows an 8 plus 3 [year] program. At present, there is one such school, in Vientiane.

The State Teacher Training Program

The training of primary school teachers follows an 8 year plus 8 month program.

The training of secondary school teachers follows an 11 plus 1 year program.

The training of upper secondary instructors follows an 11 plus 2 year program.

The training of kindergarten teachers follows a 5 year plus 6 months or a 5 year plus 3 months program.

In 1979/1980, the number of teacher trainees at all levels increased 1 1/2 times as compared with 1976/1977. At present, there are 4,609 basic level teacher trainees in the country. There are 4,560 middle-level teacher trainees and there are 1,157 teacher trainees at the teacher colleges. Along with increasing the number of students, the education sector has held political seminars and the teaching skills of all types of teacher trainees have been increased.

Besides this, during the annual vacations, the Ministry of Education, and the [provincial] education sector, has given attention to increasing understanding in the ranks of the teachers concerning political theory and the resolutions and plans that the party and state have put forth in each period. At the same time, the teaching skills of teachers who never attended teacher training schools have been improved and cultural training has been given to the weak teachers. This

has been carried on at the central, provincial and district levels. Besides the regular activities aimed at improving skills, each year the education sector and the local authorities select a number of teachers to go study at the various-level teacher training schools in the locality or at the center in order to gradually improve teacher quality.

Foreign Aid In Specialists' Training

Vientiane SIANG PASASON in Lao 10 Dec 80 p 2

[Article: "Achievements In Education During the Past 5 Years"]

[Excerpt] After the country was completely liberated, cooperation with foreign countries and international organizations became a matter of necessity and urgency in building a material and technical base in order to support the political activities of the party and state in the new period. The tendency was to quickly establish a relationship and cooperate with the fraternal socialist countries. At the same time, efforts were made to cooperate with and obtain help from various international organizations. In particular, efforts were made to obtain funds to train specialists, technical cadres and research cadres. Thus, during the past 5 years, the foreign aid that has been obtained is as follows:

The Soviet Union has helped train 1,997 middle and high-level specialists.

The German Democratic Republic has helped train 513 people.

The Hungarian People's Republic has helped train 219 people.

The Socialist Republic of Vietnam has helped train 562 people (excluding primary, secondary and upper-secondary level students).

The Czechoslovak Socialist Republic has helped train 351 people.

The People's Republic of Bulgaria has helped train 114 people.

The Republic of Cuba has helped train 42 people.

The People's Republic of Poland has helped train 45 people.

The Mongolian People's Republic has helped train 34 people.

The Socialist Republic of Romania has helped train 13 people.

At the same time, we recalled 34 [Lao] students from China. We have also welcomed home three groups of students who studied in France and another group who were studying in other countries.

LOCALITIES REPORT RICE SALES TO STATE

Champassak Sales

Vientiane KHAOSAN PATHET LAO in Lao 8 Dec 80 p A4

[Article: "The People of Pathoumphon District Have Sold Rice to the State"]

(Text) Vientiane, KPL: During November, the people in the five cantons of Ban Boun, Don Deng, Ban Mouang, Nakham and Pha Pho in Pathoumphone District, Champassak Province, sold their surplus rice to the state. They sold a total of 40 tons. Of this amount, Ban Boun Canton sold 11 tons.

Selling rice to the state is the duty of the people of the country. All people must contribute a share of their income to the state in order to have revolving funds for various activities and to defend and build the country. At the same time, this will increase the income of the families and improve their standard of living.

Ngoi, Luang Prabang Sales

Vientiane KHAOSAN PATHET LAO in Lao 9 Dec 80 p A3

[Article: "People In Ngoi District Sell Rice to the State"]

[Text] Vientiane, KPL; Recently, the people in seven cantons in Ngoi District, Luang Prabang Province, sold their surplus rice to the state. They sold a total of 41 tons. At the same time, they also sold large numbers of livestock of various types to the state. Concerning this, they sold eight buffaloes, 64 pigs and several hundred chickens and ducks.

Not only has selling rice to the state increased the income of the families and improved their standard of living but this has also played a part in increasing the revolving funds that the state can use for various activities and for defending and building the country so that the country becomes prosperous and strong and continues to progress and so that the people of Laos become more prosperous and happier.

Sayaboury Sales

Vientiane KHAOSAN PATHET LAO in Lao 10 Dec 80 p A7

[Article: "The People In Sayaboury District Have Sold Rice to the State"]

[Text] Vientiane, KPL: During November, the people in Sayaboury and Phieng districts in Sayaboury Province sold their surplus rice to the state. They sold a total of 165 tons of rice. Of this, Phieng District sold 125 tons to the state.

The sale of rice to the state increases the incomes of the families and improves their standard of living. At the same time, this is the civic duty of the people. All people must contribute a share of their income to the state in order to have revolving funds for various activities, for defending and building the country, for making the country prosperous and strong and for improving the living conditions and well-being of the people.

BENG DISTRICT STATISTICS, AGRICULTURAL COLLECTIVIZATION, SECURITY NOTED

Vientiane SLANG PASASON in Lao 10 Dec 80 p 2

[Article by Singdong Denneua: "Beng District Is Making Progress"]

[Excerpts] Beng District is one of the eight districts in Oudomsai Province. It is located approximately 60 kilometers to the southwest of Sai District. This area of 3,494 square kilometers is considered to be a fertile area. And 223 percent of this area is flatlands. Most of the people live in the plains and work as wet-rice farmers. There are communications routes that connect it with neighboring districts. These include Highway 2, which runs from Sai District to Pak Beng. This highway facilitates traffic, the distribution of goods and the purchase of goods from the people. There are several river channels that can channel water into the rice fields. At present, the rivers in this district that are used to aid production include the Beng, Phao, Sat, Hao and Met rivers, for example. Besides using the land along the banks of these rivers to grow rice, the farmers also use this land to grow bananas, sugarcane, perennial fruits and industrial crops in well-kept fields. Another thing that Beng District is wellknown for is the growing of tobacco. Tobacco growing is one occupation that easily generates an income for the families. After the rice has been harvested, the farmers plant tobacco in the rice fields. The people in the district plant an average of at least 150 to 180 hectares of tobacco each year.

The most praiseworthy thing in the development of Beng District is the change from individual production to socialist cooperative production, that is, to using agricultural cooperatives.

Comrade Mai No, a member of the district party committee told us that when cooperatives were first established in Beng District, there were problems because the farmers did not have a deep understanding about this, Later on, the various administrative echelons opened a mobilization campaign and gradually, some villages voluntarily established agricultural cooperatives. In Beng District, we have used Beng Kham Village in Beng Luang Canton as an experimental center at each stage. The experiments concerning forms and methods of carrying on production conducted at this unit gradually gave rise to a strong movement by the farmers, especially by those in the plains. To date, Beng District has established 24 agricultural cooperatives with a total of 3,518 cooperative members and 1,079 hectares of wet rice land. Besides this, 492 cooperative production

units have been established. Also of importance is the fact that the people in Beng District have increased their vigilance. They have established public security units and guerrilla militia forces in all the villages. This has been done in order to oppose those enemies who try to cause disturbances in the localities.

At present, the people in Beng District, Oudomsai Province, are happily working to develop their country. At the same time, they are diligently building socialism in their district.

11943

BRIEFS

INDIAN BUFFALOES--Vientiane, KPL: A news report from the Animal Husbandry and Veterinarian Department of the Ministry of Agriculture, Forestry and Irrigation has stated that the Republic of India has given 100 head of breeding buffaloes to the government of Laos. These breeding buffaloes will arrive in Laos around 1000 hours on 9 December 1980. They will be taken to the Test Center at the Nong Teng Buffalo Husbandry Station. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 8 Dec 80 p A4] 11943

AGGREGATE BANK DEPOSIT FIGURES--Vientiane, KPL: From the beginning of January to the middle of November, the cadres, organization workers and laborers who work at the offices and organizations and the people in the various localities in Luang Prabang Province have deposited their savings in the state banks. The deposits have reached a total of 160,241 kip. The fact that they have been diligent in depositing money in the state banks is an important factor in generating funds for the state for use in building and developing the country and for increasing the prosperity of their own localities. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 8 Dec 80 p A4] 11943

SAVANNAKHET DISTRICT LITERACY WORK--Vientiane, KPL: During the past several days, the administrative committee of Khanthabouli District, Savannakhet Province, has held a formal ceremony to announce the elimination of illiteracy for people throughout the district after they studied diligently for a period. A total of 10,523 people in the target group have become literate, 7,450 of whom are women. This achievement has made the people in this locality proud and happy because they have escaped from backwardness and they have a basic knowledge about culture. At the same time, this concerns the implementation of the new educational line put forth by the party and state. That is to bring to fruition the order that education is to go one step ahead of all other matters. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 1 Dec 80 p A2] 11943

LUANG PRABANG PROVINCE TRADE TOTALS—Vientiane, KPL: During the past 5 years, the cadres and laborers in the trade companies in Luang Prabang Province have carried out their tasks diligently with a lofty spirit of responsibility. They have steadily insured trade with the people and this has greatly expanded work and trade in the province. During this period, they sold various types of necessary goods to the people throughout the province. Such goods included more than 330 tons of salt, 62,500 liters of kerosene, more than 1,159 meters of cloth,

more than 120 tons of household goods, more than 68,000 pieces of production equipment and many other types of materials. At the same time, they purchased and bartered for more than 7,330 tons of agricultural products and forest materials of the people. Included were paddy, benzoin, coffee, animal bones, hides and so on. Besides making purchases in accord with the goals, they gave attention to further expanding trade and they opened provincial trade branches in eight places, district trade branches in 12 places and canton cooperative stores in 34 places. They also established five privately owned bartering units. At present, they are diligently carrying out their tasks in order to commemorate the fifth National Day on 2 December with greater achievements than before. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 29 Nov 80 p A7] 11943

XIENG KHOUANG TRADE FIGURES -- Vientiane, KPL: Since the beginning of the year, the cadres in the various sections subordinate to the Xieng Khouang provincial trade company have diligently emulated in carrying out the tasks in order to ensure that the plans that have been formulated are fulfilled in accord with the expectations, to improve the lives of the people and to help expand production. During this period, they sold consumer goods, food, production equipment and educational materials and equipment to the cadres, soldiers and people. Included were more than 1,700 tons of paddy and milled rice, more than 300 tons of salt, 46 tons of sugar, 40,000 cans of milk, more than 8 tons of canned meats of various types, 214,000 meters of cloth, 3,200 sets of clothers, 4,500 blankets, 8,000 handkerchiefs, more than 4,600 pots of various types, more than 2,300 bowls and plates, more than 5 tons of powdered detergent, 11,840 bars of soap and hoes, hammers, plows, paper, pens, ink and large quantities of other types of goods. At the same time, they purchased and bartered for several hundred tons of agricultural products and forest materials of the people. Included were 834 tons of paddy, more than 5 tons of pork, duck and chicken, 20 tons of cattle and buffalo meat, 20 tons of bloodflower, cardamon, sticklac, benzoin, deer antlers, pangolin scales, animal bones, hides and tens of tons of other types of goods. These figures are almost double those of the same period last year. At present, they are emulating with each other in order to achieve even greater results to commemorate the fifth National Day on 2 December. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 28 Nov 80 p A3] 11543

OUDOMSAI LITERACY WORK--Vientiane, KPL: Recently, the La District administrative authorities in Oudomsai Province officially announced the elimination of illiteracy among the people throughout the district. The results were achieved after a period of mobilizing and diligently teaching the people. A total of 5,311 people in seven cantons and 68 villages have become literate. At present, the people in these localities are happy about their success and they are emulating to quickly produce things in order to achieve even greater results in commemoration of the fifth National Day on 2 December. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 28 Nov 80 p A4] 11943

LUANG PRABANG DISTRICT BANK DEPOSITS--Vientiane, KPL: Since the beginning of January, the cadres, organization workers, laborers and people in Ngoi and Ban [probably misprint for NAN] districts in Luang Prabang Province have voluntarily deposited their savings in the state banks. They have deposited a total of 16,410 kip. This money has [helped] create funds for the state for use in defending and building the country and making it prosperous and strong.

Depositing money in the banks has contributed to the circulation of the kip and to the stabilization of the value of the kip. Also, this shows the spirit of frugality and self-reliance of the Lao people in defending and building their socialist country. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 28 Nov 80 p A7] 11943

NGOI, LUANG PRABANG TRADE--Vientiane, KPL: Since the beginning of the year, the Ngoi District trade cadres in Luang Prabang Province have diligently sold various types of state goods to the people. At the same time, they have purchased tens of tons of agricultural goods and forest materials from the people. The goods sold during this period include more than 73,800 meters of cloth, 1,050 blankets, 3,840 sets of clothes, 1,760 skirts, 4,390 meters of rubberized cloth, 820 kilograms of cotton thread, 2,390 pots, 5,100 bowls, 1,820 kilograms of powdered detergent, 3,530 bars of soap, 6,060 liters of kerosene, 106 tons of salt, 1 ton of sugar and so on. The goods purchased from the people include 33 tons of paddy, 4 tons of benzoin, 2 tons of sticklac, 8 bloodflower tons of [Asclepias Curassavica] and medicinal rhizome, 7 tons of sesame and coffee and several hundred kilograms of animal bones, deer antlers and other goods.

[Excerpt] [Vientiane KHAOSAN PATHET LAO in Lao 6 Dec 80 p A5] 11943

KHONG DISTRICT LITERACY--Vientiane, KPL: Recently, the Khong District administrative committee in Champassak Province held ceremonies to officially announce the elimination of illiteracy among the people after a period of teaching and studying. A total of 500 people have become literate. Of this number, 342 are women. These results have made the people in this locality happy and proud at having become literate. At the same time, this is in accord with the new educational line promulgated by the party and state, that is, "put education one step ahead of all other matters." [Text] [Vientiane KHAOSAN PATHET LAO in Lao 6 Dec 80 p A6] 11943

OPPOSITION CRITICIZES NEPAL ELECTIONS

OW171755 Hong Kong AFP in English 1732 GMT 17 Feb 81

[Text] Katmandu, 17 Feb (AFP)--King Birendra has enforced clause nine of the recently announced constitutional amendment and also promulgated some Nepalese laws pertaining to the elections of the National Legislature members, it was officially announced today.

The ordinances were necessary in order to implement the provisions of the constitutional amendment announced by the king on December 16 last year. Under this amendment all the elections of the village or town and the National Panchayats would be based on "adult franchise."

Under the provision of the constitutional amendment all the candidates contesting the village or town or National Panchayat elections are obliged to become the member-of one of the six class organisations. The class organisations included peasants, labour, ex-servicemen, women, youths and adults. Every Nepalese is entitled to chose one of the six class organisations by paying Rs.5 for the membership and can acquire the membership for a minimum period of five years by depositing a fee of five rupees.

The opposition were sharply criticising the requirement of acquiring the membership of one of the six class organisations and this they considered to be an impediment to "free and fair" elections. The general election is due to be held by the first half of May this year, the official source told AFP.

Under the provisions of the ordinance, the sitting prime minister or his colleagues of the Council of Ministers are empowered to contest the respective elections without resigning from their respective offices. However, the tenure of their membership in the National Panchayat will expire immediately after the announcement of the verdict of the elections.

The outlawed Nepali Congress headed by deposed Prime Minister Bisweswore Prasad Koirala has not yet decided whether or not to contest the election.

However, the ruling Panchayat camp has already mobilised its half a million rank and file cadres at 33,000 villages spread over in 75 administrative districts to canvass in favour of the partyless policy.

The nominations of the Panchayat candidatures would be filed by mid-March, it is reliably learned.

As a pre-election campaign the Panchayat camp has already started the district level Panchayat conventions in order to work out a strategy for winning the forth-coming election and to get the Panchayat camp united.

The Panchayat camp is putting altogether 112 candidatures for the National Panchayat (of the total 140 members of the National Panchayat 28 persons still to be nominated directly by the kind). B. P. Koirala, who had recently been to Sydney to attend the South Asian and Pacific Socialist Conference, is organising the meeting of his colleagues of the outlawed party in the next ten days when he is expected to make his final decision about contesting or not contesting the elections.

The pro-Beijing faction of the outlawed Nepal Communist Party which had been divided into at least five camps are meeting this Saturday to get united and to make final decision about the forthcoming election.

B. P. Koirala, however, has already indicated early this month the unlikeliness of forging unity among the different outlawed political parties in Nepal in order to fight jointly against the Panchayat polity which had received popular mandate in the May 2 referendum.

Meanwhile, Dr. Keshrjung Raimajhi, the leader of the outlawed pro-Soviet Nepal Communist Party, announced that his "friends and likeminded people" have decided to contest the forthcoming general election.

He indicated that they would put their candidature at least in 50 of the 75 constitutencies as "Independent" candidates. He, however, demanded for the "free and impartial election."

Addressing a press conference today Dr. Raimajhi said the forthcoming election will be a fight between "reactionaries and progressives" and hoped that Nepalese people can practice democracy under the present partyless Panchayat polity.

Answering to a question Dr. Raimajhi said "We are not demanding for the immediate survival of the political parties in Nepal." He said, "We can practice democracy under the new constitution although the constitution has some unnecessary conditions. These alone can not deprive the people the right to practice democracy."

BRIEFS

ENVOY TO PORTUGAL--Krishna Raj Aryal, royal Nepalese ambassador to Portugal, presented his letters of credence to the president of Portugal at a function in Lisbon recently. [BK161045 Katmandu External Service in English 1450 GMT 10 Feb 81]

BRIEFS

COURT MARTIAL SENTENCES—According to an interservices public relations press release issued in Rawalpindi today, a (?field) general court martial, which conducted a case involving acts against the country, sentenced retired Major Gen Tajammal Hussain Malik to 14 years rigorous imprisonment. The charge against him of inciting members of the armed forces was proved. The charges against two other accused, Maj Riaz Hussain and Lt Nabi Tajammal Hussain, have also been proved and they have been sentenced to 10 years rigorous imprisonment. Each and both were dismissed from service. Capt Mansur Sayed Ahmad was acquitted. The pressnote also stated that the guilty were permitted to have lawyers of their own choice during the trial, which began last year. They were represented by Supreme Court Advocate Mohammad Afzal and High Court advocates Fazal Elahi Siddiqui and Imtiazul Tajul. The prosecution presented 15 witnesses and the defense 20 in the course of the trial. [Text] [BK141622 Karachi Domestic Service in Urdu 1500 GMT 14 Feb 81]

STUDENT AGITATION SPREADS--In Pakistan, the students' agitation in the Punjab Province has spread to more areas. The agitation began with a clash between students and transport operators in Multan last week. A report says that colleges in Sahiwal, Lahore and Bahawalpur have been ordered closed because of the students' agitation. Pakistan President General Ziaul Haq who visited Multan on Sunday exhorted the students to concentrate on their studies. [Text] [BK180755 Delhi Domestic Service in English 0240 GMT 18 Feb 81]

CORRESPONDENT VIEWS INTERNAL PROBLEMS, FOREIGN POLICY DILEMMAS

Paris LE MONDE 24, 25-26, 27 Jan 81

[Article by R.-P. Paringaux: "The Moment of Truth for Thailand"]

[24 Jan 81, p 6]

[Excerpts] I. Between the Vietnamese Hammer and the Chinese Anvil

Bangkok. That a Soviet aircraft carrier today cruises just a few miles away from Thailand--yesterday still considered an aircraft carrier of the United States in Southeast Asia--is more than just of symbolic significance. This is a development which adds to the confusion of regional pensions and the uncomfortable nature of the Thai position.

Early in November 1980, a Soviet flotilla, escorting the aircraft carrier "Minsk," for the first time ventured into the international waters of the Gulf of Siam. According to Moscow, this was a familiarization cruise, a term which denotes lasting interest. The Thais and their allies, starting with the Chinese, would be more inclined to view this as a classical demonstration of "gunboat diplomacy."

The ships then returned to Vietnam at the Cam-Ranh Base. Yesterday a symbol of American power, Cam-Ranh, along with Danang (which Hanoi likewise made available to the Soviets), was one of the two big bases of the Pentagon in South Vietnam. With an impregnable view of the southern part of China, they were in a area reportedly rich in petroleum and located near the straits through which commerce must pass between Asia, the Near East, and Europe.

The visit to the Gulf of Siam gives us an idea of the advance of the Soviets in Southeast Asia in support of efforts to upset the balance which recent history constantly supplied us with—and which owe much to the combined political determination and military power of the Vietnamese—Soviet team. Moscow and Hanoi—which, initially, managed successfully to exploit the decline of American influence and the weakness of China to the maximum—feel justified in their undertakings on land and on the sea by the strengthening of cooperation between Peking and Washington and the complementary nature of their strategies, especially in Cambodia and Afghanistan. The fact that they keep talking about the "Chinese Peril" shows that something that used to be an American obsession has become a Soviet-Vietnamese psychosis, capable of justifying interventions of the same kind.

Among all these twists and turns, which imply the strategic and economic interests of the big powers, it is difficult and even impossible—for nations which do not have the necessary armed forces—to avoid the dynamics of being sucked into these events. This is true of Thailand whom history, geopolitics, and the relative fading of the American protector after 1976 as well as the policy of Hanoi has for the past 2 years placed in the frontline, between the Vietnamese-Soviet hammer and the Chinese anvil.

Tacking and Improvising

The Soviet naval demonstration demonstrates this situation. It is a part of the warning campaign mounted by Hanoi and Moscow against the continuation—by Bangkok and its ASEAN partners—of the kind of stubbornness which is considered anti-Vietnamese and a kind of complacence which is termed pro—Chinese in the Cambodian affair. It came right after the UN vote in favor of the Khmer Rouge and the ASEAN resolution once again calling for the withdrawal of Vietnamese troops and the convening of an international conference. It took place at the time of the second anniversary of the Vietnamese—Soviet friendship and cooperation treaty, a few days away from the American presidential elections and above all right after the visit of the prime minister of Thailand to Peking.

After the Cambodian invasion finding themselves caught between foreign pressures and domestic interests, often contradictory, the Thais have been tacking and improvising. Thailand, burdened with matters of national security and refugees, trying to hold on to its neutrality which had been upset by its support for the Khmer Rouge, has been in a rather unstable situation since January 1979. At that time, Bangkok--accustomed to drawing most of its strength from the weakness of its neighbors and from foreign assistance--found itself almost alone, ill-prepared, in the very worst situation: facing the Vietnamese encamped along its border with Cambodia which was, at once, liberated, conquered, and occupied.

The centuries-old rivalry between the Thais and the Vietnamese over control over Laos and Cambodia ended to the advantage of Hanoi and the Soviet camp. The last buffer zone between Bangkok and Hanoi, represented by the Cambodia of the Khmer Rouge, had fallen apart. The kingdom, which had been the rear support base of the American anticommunist crusade, suddenly and deliberately became an outpost of the "free world," a buffer zone itself, a domino, and, very quickly, a key element in the strategy of a broad opposition front to the accomplished fact organized under the impetus of Peking and, secondarily, Washington.

While proclaiming its neutrality, Bangkok, for the sake of formality, then lined up with Peking and provided varied support for the regime of Pol Pot and various Cambodian resistance movements. Deprived of its American protectors, could not Thailand—at the moment of Sino-American approach and revival of a Chinese goodneighbor policy—ask for guarantees and a counterweight from Peking? At the time, that was a question of urgency and perception of the main enemy, a hoice between the immediate advantages and inconveniences of such a policy.

Among the advantages we have above all the guarantee—as the case may be—of Chinese military assistance plus military assistance from Washington and support from a broad front of nations, including China, the United States, ASEAN, Australia, Canada, Japan, Europe, Yugoslavia, etc. From the "Chinese lesson," directed against

Vietnam, until the votes in the UN in favor of the Khmer Rouge and the ASEAN, via massive humanitarian aid, Bangkok really cannot complain. Although this front, generally speaking, is divided along the lines of its particular interests, it nevertheless does draw a good deal of its effectiveness from the determination of the Chinese and their capacity for direct action in Indochina. Other considerable advantages consist of the fact that Peking has put the Thai Communist Party (Maoist PCT [Thai Communist Party]) on the back-burner, along with the strengthening of national unity resulting from the foreign and communist threat, the use of resistance movements, as well as a portion of the Cambodian refugees, as a human rampart and as auxiliaries in the fight against the consolidation of the Vietnamese accomplished fact.

Other advantages are these: the benefits deriving from the financial and moral support of the international community for the cause of the refugees and the promotion, by most of the foreign information media (in spite of numerous criminal acts perpetrated against Indochinese refugees) of a Thailand presented as a haven of peace and liberty as against an Indochina reduced to its totalitarian excesses.

These advantages of course do entail their disadvantages: accentuated dependence on foreign strategies, especially Chinese; exacerbation of frontier tensions and risk of spread of the conflict to the benefit of one or the other Lig power, permanent refugee problem, domestic political repercussions, a double game by Peking which has not formally dropped the PCT. All of this means above all that Thailand will continue in a vulnerable position so long as the test of strength is underway to the detriment of the search for a negotiated solution, so long as Bangkok remains the big backup area for movements of anti-Vietnamese resistance, so long as China and Vietnam reject any compromise.

The specter of an invasion of Thailand by the Vietnamese however seems unlikely. Hanoi is too much occupied with "normalizing" Cambodia and organizing Indochina as a whole. As for the Soviets, one really cannot see them giving their blessing to a new Vietnamese military adventure while they themselves are tied up in Afghanistan and hesitate to intervene in Poland. Besides, the border between the Khmer Rouge and Thailand is considered as the dividing line between the two opposing spheres of influence—and if Hanoi's troops were to cross that border, that would almost certainly result in renewed Chinese intervention and probably a military reaction also from the United States.

For all of these reasons, hardly anybody in Bangkok believes in the assumption of an invasion. On the other hand, there is fear that the continued existence, along the border, of an abscess of the Palestinian type (with Khmer resistance fighters and refugees) might cause Vietnam to respond in a manner similar to the Israelis in the south of Lebanon.

Certain Thai leaders, for want of anything 'etter--for the lack of any more substantial American commitment--with a minimum of reservations seemed to be satisfied with pursuing their lineup with Peking.

[25-26 Jan 81, p 5]

[Excerpts] II. A Tailor-Made Society

October in Thailand is traditionally a baleful month. It favors coups d'etat promoted by military cliques which for almost 50 years have been fighting over power and lenefits when promotion time and retirement time come around. It also reminds us of the floods following the monsoon rains. In spite of successes in promoting the constitution, in spite of attempts at introducing democracy and financial investments, it has not yet been possible to put together a system of effectively preventing the control of the army over public affairs or a system counteracting the infiltration of water into the capital. These two phenomena have corrosive effects which keep growing.

In 1980 there was no coup d'etat. Nevertheless, to prevent the outbreak of squables among the generals -- and to forestall the aggravation of economic and sacial difficulties -- the military once again took control. This resulted in the strengthening of authority held by a new strongman, Gen Prem Tinsulanond, as prime minister, minister of defense, and conmander-in-chief of the army. The extension at his term of office beyond retiremen age had the approval of the king the main partles, and parliament. Everybody ac arted this new twist to constitutional rules in the higher interest of the nation. Only some voices coming from students de-"return to dictatorship." The moment this formality had been spitled, langkok was flooded, causing an incomparably bigger commotion. Very often, the sement of the kingdom's affairs reflects the image of its capital. In spite if its walth, in spite of fereign aid, in spite of the competence of new generations, Thailing his not managed to adjust to the requirements of the century and to the meis of the people. With one foot in the feudal past, another one in disorderly rapitalism, it is crushed by the weight of the oligarchies and their privileges, is much as it is by the hurden of its demography. Its internal enemies are the i that areas, social injustices, corruption, thight from the farm, unemployment, inflation, etc., which threaten it as seriously as its communist neighbors.

A diplocat impliar with the establishment summarizes this state if affairs as follows: "We are up the brink of anaroby. General Prem had no control over a government collition that is term by its conflicts of interest and that does not reflect the product of the state of interest and that does not reflect the product because the way they see the product of the state are temperating on their business the way they see the law, what we have here is a subject of the state as a walle. The product and interest and interest are stagnating. The regime is heading for bankruptcy."

The Astronographic Hydra

ple think that this kind of observation is a little bit excessive. They

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alt time, that, in spite of alarmist predictions, the domino is not about

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admit that the happy time of "the sunny May" (an expression of a carefree attitude) and abundance are drawing to an end, that social-economic problems are taking on disquieting proportious, and that things have to be turned around. But resistance to change remains strong, particularly among the bureaucracy.

Along with the sequels of feudalism, the weight of religion, and the economic hegemony of the local "two hundred families," the bureaucracy constitutes the system's backbone. At the same time it lives in close osmosis and opposition with a government characterized by chronic instability whose nature however has hardly changed.

More business-oriented than political, weak in spite of its "strongmen," this government simply has resigned its functions in the face of the bureaucratic hydra that runs the country in its place and in its name but also in the name of special interests. Responsibilities (and funds) are diluted infinitely, there is no sense of planning and no sense of the general interest. The technocrats are frustrated, the private sector exhausts itself in a perpetual guerrilla war against the administration, foreign investors simply throw up their hands or grease the palm in order to get out of this mess.

The World Bank estimates that "it is difficult to detect a sense, a purpose, in the behavior of the public sector or to find any implementation of a policy comparable to the one drafted by the government in the matter of social priorities. There is no indication that these preoccupations determine the activities of this sector." Nevertheless, there is a "direction" (which the World Bank helps encourage) and that is the direction of the redistribution of funds and benefits a cording to the traditional concept of patronage. The bribery system is almost an institutional thing. Inherent in the evolution of society, 't has not been abolished by the introduction of solicies and wages; nor is it tainted with immortality. A constellation of armos, claus, families, and parties will get together or will oppose each ther legending upon the material or promotional advantages, not the political desiderations involved.

In line with invalties that are interchangeable according to the exclusive principle of immediate practit, a multitude of sponsors, intermediaties, and bureaucrats dispenses favors and protection against all economic reason. This situation promotes social sclerosis, political conservation, and conflicts between the central government and local officials. By virtue of the same principle—but against all economic reason—the big notables very often enjoy fruitful sinecures. Thus, a retired general explained to us, to assure themselves of the layalty of their followers, the general staffs of the armed forces are getting a per entage out out of weapons purchases, petroleum project refining, port and airport activities, etc. As in Indianesia, for these reasons more than due to competence, many military men head public enterprises.

The a lestrature maretver is backed up by the institution of the menar by and by the bounded to enter the bounded to enter the menar by and by the bounded to enter the bounded to enter the bounded to the divine of things and beings. In the final analysis, it is these specific values which explain the evolution of society. It is therefore difficult, a priori, to apply another the control of the enterior of the e

to build a modern state, which will be a part of an international environment that is not governed by the same principles, the failure to fit in becomes flagrant.

Governed by the unforeseeable, the kingdom seems to allow itself to drift with the winds, whichever way they blow, and there seems to be no national wind. Of course, the army is the government. But, in their barracks, the cliques balance each other out and neutralize each other. Gen Prem appears very much like a palliative; it is said that he is neither a dictator, nor a political strategist. His strength springs from his integrity, plus the fear of chaos and the support from the royal palace. His weakness is his insatiable appetite and the rivalries of his equals and ministers.

Having come to power amid the October 1976 student bloodbath, the army first of all put its weight behind the civilian prime minister Mr Thanin Kraivichien. Just one year later, more or less, it rallied behind Gen Kriangsak Chamanand; but it kicked him out through a coup d'etat. In March 1980, under the combined pressure from the extreme right and the urban middle classes, dissatisfied with the rise in the cost of living, it dropped Kriangsak and put in Prem. Since then, the little game of succession has been played again. The vacuum is no smaller among the parties that claim to be democratic; there is an impression of "deja vu," of sterile confirmism, and, too often, of venality. All of these interchangeable leaders, supported by a bourgeoisie and a middle class which experienced a remarkable upswing far the past 20 years, seem to be turning round and round. Would they be there if, a years ago, they had not encouraged the annihilation of the forces of charge and an opposition which rather abusively was likened to "communist subver-Business picked up but the kingdom emerged traumatized from this trial. In spice of liberalization efforts and the 1978 elections, the regime's hangups and contradictions were perpetuated in an increasingly deleterious environment.

Distributes and social defects gained ground. While Bangkok grew way out of proportion, a leach that drains resources, capital, and manpower from the rural areas at larges, poverty still prevails in the rural areas and the cities. Racial and religious discrimination continues against the ethnic minorities in the north and the Muslims in the south, who are poorly integrated. Entire provinces are delivered up to organized barditry, to pillage of natural resources, and smuggling. More than a housed armed gangs in the pay of "influential persons," have been counted in the south. Under the cover of the anticommunist struggle, special army units engage in the raver of the anticommunist struggle, special army units engage in the raver efficials, military personnel, and police officers—often poorly paid, to be size—are involved in all kinds of rackets.

This rate of affairs, on top of which comes the foreign threat and the rising artists, at the other hand promotes the resurgence of a demagogic and populate streng right. Directed by Ger Sudsai Hasdin, a former member of the ISOC the region of the included and the "godfather" of the paramilitary group that the "hei Gairs" (Red Buffales) who played the rule of a catalyst in the massaires, it preaches open violence against in adversaries of the triller--nation, monarchy, and religion--and recruits supporters in parliament, it preaches be a vent of a nationalist, authoritarian, and egalitarian

however, there has been another attempt, a reformist attempt this time, and it has had the benefit of wide publicity. To get the system going again without changing its nature and to revive business while preventing the crisis, a new concept has been officially advanced and that is the concept of "Thailand Incorporated." The method is simple; it proved itself in South Kores and Taiwan especially. Behind the shield of a strongman--Ceneral Prem--it is designed to permit the kingdom's first financier, Mr Boonchu Rojanastien, vice prime minister in charge of the economy, to get society working on the basis of a private enterprise model.

The impetus must come from the very top, from the big Sino-Thai families which are altied with the military and which have established their financial and commercial begemeny over the past half century by draining resources from the rural areas and by tearing up with big foreign capital. In this way, Mr Boonchu hopes to turn millions ni peasants, who vegetate along the periphery of development, into "stockholders" of his new company or society.

[27 Jan 81, p 5]

[Excerpts] III. A Herculean lask

"Just as a supparty is the property of its stockholders who derive profits from its soless. Inclient Incorporated will be the property of each of the 47 million citizens of the Thai nation. The country will orient itself toward the private sector rether than toward the bureaucracy. If the managers are inefficient, it will be necessary to change the management. The system must change rapidly." Rather short, the man was has here been nicknamed "tsar" of the each may, is light terms of fortune. The sen of Chinese immigrants, Mr Boonchu Rojanastien, vice prime minister, has turned the Bangkok Bank into one of the most powerful financial institutions in State and Action Party of former premier Kurrit Framet who supports him in his reformant attempts.

"Thailand incorporates," says Mr Bosnibu, "will be a company of professionals. To each his wh specialty: to the soldiers, security; to the technocrats, the administration; to businessmen, the grivate sector. The mountry has been run by anathures far too long." This is an almost revolutionary proposal which is bound to cause studiers in the barracks and sifices. "Thanging the system" is easier and than inne. The task is seconless, the opposition of those win have overyining to lyse is opposite. Moreover, it is being undertaken rather belateably. Birack broadside by the rise is petroless prices, the economy is entering a stage of recession. Intuition is introducing 10 versent, in estments are eleving down, and farm output is drapping. The belance of trade is beaming increasingly and dangerously un-

Mr Boonchu wants to promote "a new nationalist spirit and a sense of unity" which are missing here. Is this possible without the participation of millions of peasants who are confined in the ghetto of underdevelopment whereas they represent 80 percent of the population and provide 50 percent of the export earnings? Can this country have an overall and balanced growth without the priority development of agriculture? Can agriculture be developed here without structural and technical reforms, so long as agricultural production remains subordinated to the interests of the capital city and of capital? The minister is aware of all this but... Thailand Inc. saw the light of day while the international experts on growth and development issued warnings against a strategy based on the idea that the growth of the center will, ipso facto, bring with it a growth of the periphery.

Wealth in the Cities, Poverty on the Farms

In a report dealing with Thailand, the World Bank wrote the following in 1978: "Without the concomitant growth of agriculture an excessively ambitious push toward industrialization entails the risk of being costly." As a matter of fact, the investments required by this policy are such as to increase the deficit in the balance of trade, to increase the foreign debt, and to cause further dependence. It is doubtful that it will make it possible to absorb the surplus manpower in Bangkok. On the other hand, if industries and services continue to be established in the capital, they entail the risk of accentuating the imbalances between the cities and the rural areas.

The remarkable growth recorded for the past two decades by the Thai GNP (averaging 8 percent per year, with 6 percent in 1980) should not conceal the inequality of distribution. The public sector essentially helped create an environment favorable to the private sector. Most of its investments went to Bangkok, that is to say, to something like 6 million citizens (even if we count the million living in the slums), whereas there are 40 in the rural areas. The disparities were further accentuated by the selective utilization of funds; in the fields of education, health, and public transportation, their distribution favors the richest groups in a proportion of 10:1.

Likewise, the per-capita expenditures remained directly proportional to the degree of urban growth and the distance from the center. A citizen living 600 kilometers from Bangkok gets only 1/10 of what an inhabitant of the capital gets. On the average, his wage is only 1/7-1/10 of that of a city dweller. In Bangkok, there is one doctor for every 1,800 persons and in some provinces of the northeast there is one doctor for every 70,000 persons. In the capital, there is one hospital for every 1,200 patients whereas in the provinces there is one hospital for every 400,000.

The World Bank wrote further: "The proportion of persons living in absolute poverty dropped from almost one-half of the population in 1960 to one-quarter in recent years." This is a remarkable effort indeed. Nevertheless, the "remainder" still accounts for more than 11 million inhabitants who still live in absolute poverty and the World Bank does not say how many live just above that poverty level. It adds: "These farmers have not been able to get out of a subsistence economy due to lack of education, roads, and other services and due to the uncertainty of the weather." We must therefore realize that they depend exclusively on rainfall and good weather. In this connection it is surprising to find out, through a United Nations report, that, in spite of the considerable sums of money invested through a

number of international and bilateral aid programs, "the big projects put up in the northeast of Thailand provide irrigation only for about 3 percent of the population." This area is inhabited by something like 20 million persons.

In Thailand, the increase in farm output was achieved essentially through constant expansion of cultivated surfaces which doubled over the past 20 years.

The growth of the capitalist agribusiness sector, the weakness of the technologies and funds applied to yields, the population pressure and the increasing rarity of suitable farmland augur ill for the future. Deforestation has assumed the proportions of a catastrophe. Over just a score of years, the forest cover shrank from close to 60 percent to less than 25 percent of the territory's surface.

Population pressure is considerable. Thailand is among the world's twenty most heavily populated countries. In just 30 years, it grew from less than 20 millions to close to 50 millions.

The birth rate--3 percent during the fifties and sixties--dropped considerably but its effects will linger; close to 1 million youngsters will enter the labor market each year until 1990. Absorption by nonagricultural sectors remains low and manpower export to the countries of the Gulf has its limits.

The maintenance of growth and employment, eradication of poverty and promotion of greater equity thus inevitably require reforms in the rural areas. This presupposes a major transfer of resources to the benefit of the rural areas; a development and price policy which will not be systematically to the advantage of the cities; a reduction in the power of the bureaucrats, the big landowners, the police, the usurers, and miscellaneous middlemen who overexploit the peasantry; the guarantee of fundamental rights by the state.

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